

FIRST REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
CONFERENCE COMMITTEE SUBSTITUTE NO. 2 FOR  
HOUSE COMMITTEE SUBSTITUTE NO. 2 FOR

# SENATE BILL NO. 406

94TH GENERAL ASSEMBLY

2007

1648S.08T

## AN ACT

To repeal sections 50.1250, 86.1230, 86.1600, 87.006, 103.085, 104.010, 104.040, 104.160, 104.312, 104.320, 104.344, 104.352, 104.354, 104.380, 104.395, 104.805, 104.1003, 104.1012, 104.1015, 104.1021, 104.1024, 104.1027, 104.1039, 104.1051, 104.1072, 104.1087, 104.1090, 105.660, 105.665, 105.910, 105.915, 105.920, 169.010, 169.070, 169.466, 169.471, 169.670, and 211.393, RSMo, and to enact in lieu thereof forty-five new sections relating to employee benefit plans.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Sections 50.1250, 86.1230, 86.1600, 87.006, 103.085, 104.010, 104.040, 104.160, 104.312, 104.320, 104.344, 104.352, 104.354, 104.380, 104.395, 104.805, 104.1003, 104.1012, 104.1015, 104.1021, 104.1024, 104.1027, 104.1039, 104.1051, 104.1072, 104.1087, 104.1090, 105.660, 105.665, 105.910, 105.915, 105.920, 169.010, 169.070, 169.466, 169.471, 169.670, and 211.393, RSMo, are repealed and forty-five new sections enacted in lieu thereof, to be known as sections 50.1250, 86.1230, 86.1600, 87.006, 94.579, 103.080, 103.085, 104.010, 104.040, 104.160, 104.312, 104.320, 104.344, 104.352, 104.354, 104.380, 104.395, 104.606, 104.805, 104.1003, 104.1012, 104.1015, 104.1021, 104.1024, 104.1027, 104.1039, 104.1051, 104.1072, 104.1087, 104.1090, 105.660, 105.665, 105.666, 105.667, 105.683, 105.684, 105.910, 105.915, 169.010, 169.070, 169.466, 169.471, 169.670, 211.393, and 321.800, to read as follows:

50.1250. 1. If a member has less than five years of creditable service upon termination of employment, the member shall forfeit the portion of his or

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

3 her defined contribution account attributable to board matching contributions or  
4 county matching contributions pursuant to section 50.1230. The proceeds of such  
5 forfeiture shall be applied towards matching contributions made by the board for  
6 the calendar year in which the forfeiture occurs. If the board does not approve  
7 a matching contribution, then forfeitures shall revert to the county employees'  
8 retirement fund. The proceeds of such forfeiture with respect to county matching  
9 contributions shall be applied toward matching contributions made by the  
10 respective county in accordance with rules prescribed by the board.

11 2. A member shall be eligible to receive a distribution of the member's  
12 defined contribution account in such form selected by the member as permitted  
13 under and in accordance with the rules and regulations formulated and adopted  
14 by the board from time to time, and commencing as soon as administratively  
15 feasible following separation from service, unless the member elects to receive the  
16 account balance at a later time, but no later than his or her required beginning  
17 date. Notwithstanding the foregoing, if the value of a member's defined  
18 contribution account balance is [five] **one** thousand dollars or less at the time of  
19 the member's separation from service, without respect to any board-matching  
20 contributions or employer-matching contribution which might be allocated  
21 following the member's separation from service, then his or her defined  
22 contribution account shall be distributed to the member in a single sum as soon  
23 as administratively feasible following his or her separation from service. The  
24 amount of the distribution shall be the amount determined as of the valuation  
25 date described in section 50.1240, if the member has at least five years of  
26 creditable service. If the member has less than five years of creditable service  
27 upon his or her separation from service, then the amount of the distribution shall  
28 equal the portion of the member's defined contribution account attributable to the  
29 member's seed contributions pursuant to section 50.1220, if any, determined as  
30 of the valuation date.

31 3. If the member dies before receiving the member's account balance, the  
32 member's designated beneficiary shall receive the member's defined contribution  
33 account balance, as determined as of the immediately preceding valuation date,  
34 in a single sum. The member's beneficiary shall be his or her spouse, if married,  
35 or his or her estate, if not married, unless the member designates an alternative  
36 beneficiary in accordance with procedures established by the board.

86.1230. 1. Any member who retires subsequent to August 28, 1991, with  
2 entitlement to a pension under sections 86.900 to 86.1280, shall receive each  
3 month, in addition to such member's base pension and cost-of-living adjustments

4 thereto under section 86.1220, and in addition to any other compensation or  
5 benefit to which such member may be entitled under sections 86.900 to 86.1280,  
6 a supplemental retirement benefit of fifty dollars per month. The amount of such  
7 supplemental retirement benefit may be adjusted by cost-of-living adjustments  
8 determined by the retirement board not more frequently than annually. [Such  
9 determination shall be based on advice of the plan's actuary that the increase in  
10 the benefit will not cause the present value of anticipated future plan benefits,  
11 calculated on the actuarial assumptions used for the most recent annual  
12 valuation, to exceed the sum of the trust fund assets plus the present value of  
13 anticipated contributions to the trust fund.]

14 2. Any member who was retired on or before August 28, 1991, and is  
15 receiving retirement benefits from the retirement system shall, upon application  
16 to the retirement board, be retained as a consultant, and for such services such  
17 member shall receive each month, in addition to such member's base pension and  
18 cost-of-living adjustments thereto under section 86.1220, and in addition to any  
19 other compensation or benefit to which such member may be entitled under  
20 sections 86.900 to 86.1280, a supplemental compensation in the amount of fifty  
21 dollars per month. This appointment as a consultant shall in no way affect any  
22 member's eligibility for retirement benefits under the provisions of sections  
23 86.900 to 86.1280, or in any way have the effect of reducing retirement benefits  
24 otherwise payable to such member. The amount of such supplemental  
25 compensation under this subsection may be adjusted by cost-of-living adjustments  
26 determined by the retirement board not more frequently than annually. [Such  
27 determination shall be based on advice of the plan's actuary that the increase in  
28 the benefit will not cause the present value of anticipated future plan benefits,  
29 calculated on the actuarial assumptions used for the most recent annual  
30 valuation, to exceed the sum of the trust fund assets plus the present value of  
31 anticipated contributions to the trust fund.]

32 3. [In determining and granting the cost-of-living adjustments under this  
33 section, the retirement board shall adopt such rules and regulations as may be  
34 necessary to effectuate the purposes of this section, including provisions for the  
35 manner of computation of such adjustments and the effective dates thereof. The  
36 retirement board shall provide for such adjustments to be determined once each  
37 year and granted on a date or dates to be chosen by the board. The retirement  
38 board shall not be required to prorate the initial adjustment to any supplemental  
39 retirement benefit or any supplemental compensation under this section for any  
40 member.

41           4.] For purposes of subsections 1 and 2 of this section, the term "member"  
42 shall include a surviving spouse entitled to a benefit under sections 86.900 to  
43 86.1280 who shall be deemed to have retired for purposes of this section on the  
44 date of retirement of the member of whom such person is the surviving spouse or  
45 on the date of death of such member if such member died prior to retirement;  
46 provided, that if the surviving spouse of any member who retired prior to August  
47 28, 2000, shall not have remarried prior to August 28, 2000, but remarries  
48 thereafter, such surviving spouse shall thereafter receive benefits under  
49 subsection 2 of this section, and provided further, that no benefits shall be  
50 payable under this section to the surviving spouse of any member who retired  
51 prior to August 28, 2000, if such surviving spouse was at any time remarried  
52 after the member's death and prior to August 28, 2000. All benefits payable to  
53 a surviving spouse under this section shall be in addition to all other benefits to  
54 which such surviving spouse may be entitled under other provisions of sections  
55 86.900 to 86.1280. Any such surviving spouse of a member who dies while  
56 entitled to payments under this section shall succeed to the full amount of  
57 payment under this section to which such member was entitled at the time of  
58 such member's death, including any cost-of-living adjustments received by such  
59 member in the payment under this section prior to such member's death. In all  
60 events, the term "member" shall not include any children of the member who  
61 would be entitled to receive part or all of the pension which would be received by  
62 a surviving spouse if living.

63           **4. Any member who is receiving benefits from the retirement**  
64 **system and who either was retired under the provisions of subdivision**  
65 **(1) of subsection 1 of section 86.1150, or who retired before August 28,**  
66 **2001, under the provisions of section 86.1180 or section 86.1200, shall,**  
67 **upon application to the retirement board, be retained as a**  
68 **consultant. For such services such member shall receive each month**  
69 **in addition to such member's base pension and cost-of-living**  
70 **adjustments thereto under section 86.1220, and in addition to any other**  
71 **compensation or benefit to which such member may be entitled under**  
72 **sections 86.900 to 86.1280, an equalizing supplemental compensation of**  
73 **ten dollars per month. This appointment as a consultant shall in no**  
74 **way affect any member's eligibility for retirement benefits under the**  
75 **provisions of sections 86.900 to 86.1280, or in any way have the effect**  
76 **of reducing retirement benefits otherwise payable to such member. The**  
77 **amount of equalizing supplemental compensation under this subsection**

78 may be adjusted by cost-of-living adjustments, determined by the  
79 retirement board not more frequently than annually, but in no event  
80 shall the aggregate of such equalizing supplemental compensation  
81 together with all such cost-of-living adjustments thereto exceed twenty-  
82 five percent of the member's base pension. Each cost-of-living  
83 adjustment to compensation under this subsection shall be determined  
84 independently of any cost-of-living adjustment to any other benefit  
85 under sections 86.900 to 86.1280. For the purposes of this subsection,  
86 the term "member" shall include a surviving spouse entitled to benefits  
87 under the provisions of section 86.900 to 86.1280, and who is the  
88 surviving spouse of a member who qualified, or would have qualified  
89 if living, for compensation under this subsection. Such surviving  
90 spouse shall, upon application to the retirement board, be retained as  
91 a consultant, and for such services shall be compensated in an amount  
92 equal to the compensation which would have been received by the  
93 member under this subsection, if living. Any such surviving spouse of  
94 a member who dies while entitled to payments under this subsection  
95 shall succeed to the full amount of payment under this subsection to  
96 which such member was entitled at the time of such member's death,  
97 including any cost-of-living adjustments received by such member in  
98 the payment under this subsection prior to such member's death. In all  
99 events, the term "member" shall not include any children of the member  
100 who would be entitled to receive part or all of the pension that would  
101 be received by a surviving spouse, if living.

102       5. A surviving spouse who is entitled to benefits under the  
103 provisions of subsection 1 of section 86.1240 as a result of the death  
104 prior to August 28, 2007, of a member in service, and who is receiving  
105 benefits from the retirement system, shall, upon application to the  
106 retirement board, be retained as a consultant, and for such services  
107 such surviving spouse shall receive each month an equalizing  
108 supplemental compensation of ten dollars per month. A surviving  
109 spouse entitled to benefits under the provisions of subsection 1 of  
110 section 86.1240 as a result of the death of a member in service on or  
111 after August 28, 2007, shall receive each month an equalizing  
112 supplemental benefit of ten dollars per month. All benefits payable to  
113 a surviving spouse under this subsection shall be in addition to all  
114 other benefits to which such surviving spouse may be entitled under

115 other provisions of sections 86.900 to 86.1280 and shall in no way have  
116 the effect of reducing benefits otherwise payable to such surviving  
117 spouse. The amount of equalizing supplemental benefit or equalizing  
118 supplemental compensation under this subsection may be adjusted by  
119 cost-of-living adjustments, determined by the retirement board not  
120 more frequently than annually, but in no event shall the aggregate of  
121 such equalizing supplemental benefit or compensation together with all  
122 such cost-of-living adjustments thereto exceed twenty-five percent of  
123 the base pension of the surviving spouse. Each cost-of-living  
124 adjustment to an equalizing supplemental benefit or compensation  
125 under this subsection shall be determined independently of any cost-of-  
126 living adjustment to any other benefit under sections 86.900 to 86.1280.  
127 In all events the term "surviving spouse" as used in this subsection shall  
128 not include any children of the member who would be entitled to  
129 receive part or all of the pension that would be received by a surviving  
130 spouse, if living.

131 6. In determining and granting the cost-of-living adjustments  
132 under this section, the retirement board shall adopt such rules and  
133 regulations as may be necessary to effectuate the purposes of this  
134 section, including provisions for the manner of computation of such  
135 adjustments and the effective dates thereof. The retirement board shall  
136 provide for such adjustments to be determined once each year and  
137 granted on a date or dates to be chosen by the board. The retirement  
138 board shall not be required to prorate the initial adjustment to any  
139 benefit or compensation under this section for any member.

140 [5.] 7. The determination of whether the retirement system will remain  
141 actuarially sound shall be made at the time any cost-of-living adjustment under  
142 this section is granted. If at any time the retirement system ceases to be  
143 actuarially sound, [supplemental retirement] any benefit [payments under  
144 subsection 1 of this section and supplemental] or compensation payments [as a  
145 consultant under subsection 2 of] **provided under** this section shall continue as  
146 adjusted by increases or decreases theretofore granted. A member of the  
147 retirement board shall have no personal liability for granting increases under this  
148 section if that retirement board member in good faith relied and acted upon  
149 advice of a qualified actuary that the retirement system would remain actuarially  
150 sound.

86.1600. 1. Any member who retires subsequent to August 28, 1997, **and**

2 **on or before August 28, 2007**, with entitlement to a pension under sections  
3 **86.1310 to 86.1640, and any member who retires subsequent to August 28,**  
4 **2007, with entitlement to a pension under sections 86.1310 to 86.1640**  
5 **and who either has at least fifteen years of creditable service or is**  
6 **retired under subsection 1 of section 86.1560**, shall receive each month, in  
7 addition to such member's base pension and cost-of-living adjustments thereto  
8 under section 86.1590, and in addition to any other compensation or benefit to  
9 which such member may be entitled under sections 86.1310 to 86.1640, a  
10 supplemental retirement benefit of fifty dollars per month. The amount of such  
11 supplemental retirement benefit may be adjusted by cost-of-living adjustments  
12 determined by the retirement board not more frequently than annually. [Such  
13 determination shall be based on advice of the plan's actuary that the increase in  
14 the benefit will not cause the present value of anticipated future plan benefits,  
15 calculated on the actuarial assumptions used for the most recent annual  
16 valuation, to exceed the sum of the trust fund assets plus the present value of  
17 anticipated contributions to the trust fund.]

18 2. Any member who was retired on or before August 28, 1997, and is  
19 receiving retirement benefits from the retirement system shall, upon application  
20 to the retirement board, be retained as a consultant, and for such services such  
21 member shall receive each month, in addition to such member's base pension and  
22 cost-of-living adjustments thereto under section 86.1590, and in addition to any  
23 other compensation or benefit to which such member may be entitled under  
24 sections 86.1310 to 86.1640, a supplemental compensation in the amount of fifty  
25 dollars per month. This appointment as a consultant shall in no way affect any  
26 member's eligibility for retirement benefits under the provisions of sections  
27 86.1310 to 86.1640, or in any way have the effect of reducing retirement benefits  
28 otherwise payable to such member. The amount of such supplemental  
29 compensation under this subsection may be adjusted by cost-of-living adjustments  
30 determined by the retirement board not more frequently than annually. [Such  
31 determination shall be based on advice of the plan's actuary that the increase in  
32 the benefit will not cause the present value of anticipated future plan benefits,  
33 calculated on the actuarial assumptions used for the most recent annual  
34 valuation, to exceed the sum of the trust fund assets plus the present value of  
35 anticipated contributions to the trust fund.]

36 3. In determining and granting the cost-of-living adjustments under this  
37 section, the retirement board shall adopt such rules and regulations as may be  
38 necessary to effectuate the purposes of this section, including provisions for the

39 manner of computation of such adjustments and the effective dates thereof. The  
40 retirement board shall provide for such adjustments to be determined once each  
41 year and granted on a date or dates to be chosen by the board. The retirement  
42 board shall not be required to prorate the initial adjustment to any supplemental  
43 retirement benefit or any supplemental compensation under this section for any  
44 member.

45         4. For purposes of subsections 1 and 2 of this section, the term "member"  
46 shall include a surviving spouse who is entitled to a benefit under sections  
47 86.1310 to 86.1640, who shall be deemed to have retired for purposes of this  
48 section on the date of retirement of the member of whom such person is the  
49 surviving spouse or on the date of death of such member if such member died  
50 prior to retirement; **provided, that no benefits shall be payable under this**  
51 **section to the surviving spouse of any member who died while in active**  
52 **service after August 28, 2007, unless such death occurred in the line of**  
53 **duty or course of employment or as the result of an injury or illness**  
54 **incurred in the line of duty or course of employment or unless such**  
55 **member had at least fifteen years of creditable service. The surviving**  
56 **spouse of a member who died in service after August 28, 2007, whose**  
57 **death occurred in the line of duty or course of employment or as the**  
58 **result of an injury or illness incurred in the line of duty or course of**  
59 **employment shall be entitled to benefits under subsection 1 of this**  
60 **section without regard to such member's years of creditable service. All**  
61 benefits payable to a surviving spouse under this section shall be in addition to  
62 all other benefits to which such surviving spouse may be entitled under other  
63 provisions of sections 86.1310 to 86.1640. Any [such] **qualifying** surviving  
64 spouse of a member who dies while entitled to payments under this section shall  
65 succeed to the full amount of payment under this section to which such member  
66 was entitled at the time of such member's death, including any cost-of-living  
67 adjustments received by such member in the payment under this section prior to  
68 such member's death.

69         5. The determination of whether the retirement system will remain  
70 actuarially sound shall be made at the time any cost-of-living adjustment under  
71 this section is granted. If at any time the retirement system ceases to be  
72 actuarially sound, supplemental retirement benefit payments under subsection  
73 1 of this section and supplemental compensation payments as a consultant under  
74 subsection 2 of this section shall continue as adjusted by increases or decreases  
75 theretofore granted. A member of the retirement board shall have no personal



76 liability for granting increases under this section if that retirement board member  
77 in good faith relied and acted upon advice of a qualified actuary that the  
78 retirement system would remain actuarially sound.

87.006. 1. Notwithstanding the provisions of any law to the contrary, and  
2 only for the purpose of computing retirement benefits provided by an established  
3 retirement plan, after five years' service, any condition of impairment of health  
4 caused by any disease of the lungs or respiratory tract, hypotension,  
5 hypertension, or disease of the heart resulting in total or partial disability or  
6 death to a uniformed member of a paid fire department, who successfully passed  
7 a physical examination within five years prior to the time a claim is made for  
8 such disability or death, which examination failed to reveal any evidence of such  
9 condition, shall be presumed to have been suffered in line of duty, unless the  
10 contrary be shown by competent evidence.

11 2. **Any condition of cancer affecting the skin or the central**  
12 **nervous, lymphatic, digestive, hematological, urinary, skeletal, oral,**  
13 **breast, testicular, genitourinary, liver or prostate systems, as well as**  
14 **any condition of cancer which may result from exposure to heat or**  
15 **radiation or to a known or suspected carcinogen as determined by the**  
16 **International Agency for Research on Cancer, which results in the total**  
17 **or partial disability or death to a uniformed member of a paid fire**  
18 **department who successfully passed a physical examination within five**  
19 **years prior to the time a claim is made for disability or death, which**  
20 **examination failed to reveal any evidence of such condition, shall be**  
21 **presumed to have been suffered in the line of duty unless the contrary**  
22 **be shown by competent evidence and it can be proven to a reasonable**  
23 **degree of medical certainty that the condition did not result nor was**  
24 **contributed to by the voluntary use of tobacco.**

25 3. This section shall apply to paid members of all fire departments of all  
26 counties, cities, towns, fire districts and other governmental units.

94.579. 1. **The governing body of any home rule city with more**  
2 **than one hundred fifty-one thousand five hundred but fewer than one**  
3 **hundred fifty-one thousand six hundred inhabitants is hereby**  
4 **authorized to impose, by order or ordinance, a sales tax on all retail**  
5 **sales made within the city which are subject to sales tax under chapter**  
6 **144, RSMo. The tax authorized in this section shall not exceed one**  
7 **percent, and shall be imposed solely for the purpose of providing**  
8 **revenues for the operation of public safety departments, including**

9 police and fire departments, and for pension programs, and health care  
10 for employees and pensioners of the public safety departments. The tax  
11 authorized in this section shall be in addition to all other sales taxes  
12 imposed by law, and shall be stated separately from all other charges  
13 and taxes. The order or ordinance shall not become effective unless the  
14 governing body of the city submits to the voters residing within the city  
15 at a state general, primary, or special election a proposal to authorize  
16 the governing body of the city to impose a tax under this section. If the  
17 tax authorized in this section is not approved by the voters, then the  
18 city shall have an additional year during which to meet its required  
19 contribution payment beyond the time period described in section  
20 105.683, RSMo. If the city meets its required contribution payment in  
21 this time, then, notwithstanding the provisions of section 105.683,  
22 RSMo, to the contrary, the delinquency shall not constitute a lien on  
23 the funds of the political subdivision, the board of such plan shall not  
24 be authorized to compel payment by application for writ of mandamus,  
25 and the state treasurer and the director of the department of revenue  
26 shall not withhold twenty-five percent of the certified contribution  
27 deficiency from the total moneys due the political subdivision from the  
28 state. The one-year extension shall only be available to the city on a  
29 one-time basis.

30 2. The ballot of submission for the tax authorized in this section  
31 shall be in substantially the following form:

32 Shall ..... (insert the name of the city)  
33 impose a sales tax at a rate of ..... (up to one) percent, solely for the  
34 purpose of providing revenues for the operation of public safety  
35 departments of the city?

36 ☐ YES ☐ NO

37 If you are in favor of the question, place an "X" in the box opposite  
38 "YES". If you are opposed to the question, place an "X" in the box  
39 opposite "NO".

40 If a majority of the votes cast on the question by the qualified voters  
41 voting thereon are in favor of the question, then the tax shall become  
42 effective on the first day of the second calendar quarter immediately  
43 following notification to the department of revenue. If a majority of the  
44 votes cast on the question by the qualified voters voting thereon are  
45 opposed to the question, then the tax shall not become effective unless

46 and until the question is resubmitted under this section to the qualified  
47 voters and such question is approved by a majority of the qualified  
48 voters voting on the question.

49       3. All revenue collected under this section by the director of the  
50 department of revenue on behalf of any city, except for one percent for  
51 the cost of collection which shall be deposited in the state's general  
52 revenue fund, shall be deposited in a special trust fund, which is  
53 hereby created and shall be known as the "Public Safety Protection  
54 Sales Tax Fund", and shall be used solely for the designated  
55 purposes. Moneys in the fund shall not be deemed to be state funds,  
56 and shall not be commingled with any funds of the state. The director  
57 may make refunds from the amounts in the trust fund and credited to  
58 the city for erroneous payments and overpayments made, and may  
59 redeem dishonored checks and drafts deposited to the credit of such  
60 city. Any funds in the special trust fund which are not needed for  
61 current expenditures shall be invested in the same manner as other  
62 funds are invested. Any interest and moneys earned on such  
63 investments shall be credited to the fund. The director shall keep  
64 accurate records of the amounts in the fund, and such records shall be  
65 open to the inspection of the officers of such city and to the public. Not  
66 later than the tenth day of each month, the director shall distribute all  
67 moneys deposited in the fund during the preceding month to the  
68 city. Such funds shall be deposited with the treasurer of the city, and  
69 all expenditures of moneys from the fund shall be by an appropriation  
70 ordinance enacted by the governing body of the city.

71       4. On or after the effective date of the tax, the director of  
72 revenue shall be responsible for the administration, collection,  
73 enforcement, and operation of the tax, and sections 32.085 and 32.087,  
74 RSMo, shall apply. In order to permit sellers required to collect and  
75 report the sales tax to collect the amount required to be reported and  
76 remitted, but not to change the requirements of reporting or remitting  
77 the tax, or to serve as a levy of the tax, and in order to avoid fractions  
78 of pennies, the governing body of the city may authorize the use of a  
79 bracket system similar to that authorized in section 144.285, RSMo, and  
80 notwithstanding the provisions of that section, this new bracket system  
81 shall be used where this tax is imposed and shall apply to all taxable  
82 transactions. Beginning with the effective date of the tax, every

83 retailer in the city shall add the sales tax to the sale price, and this tax  
84 shall be a debt of the purchaser to the retailer until paid, and shall be  
85 recoverable at law in the same manner as the purchase price. For  
86 purposes of this section, all retail sales shall be deemed to be  
87 consummated at the place of business of the retailer.

88         5. All applicable provisions in sections 144.010 to 144.525, RSMo,  
89 governing the state sales tax, and section 32.057, RSMo, the uniform  
90 confidentiality provision, shall apply to the collection of the tax, and  
91 all exemptions granted to agencies of government, organizations, and  
92 persons under sections 144.010 to 144.525, RSMo, are hereby made  
93 applicable to the imposition and collection of the tax. The same sales  
94 tax permit, exemption certificate, and retail certificate required by  
95 sections 144.010 to 144.525, RSMo, for the administration and collection  
96 of the state sales tax shall satisfy the requirements of this section, and  
97 no additional permit or exemption certificate or retail certificate shall  
98 be required; except that, the director of revenue may prescribe a form  
99 of exemption certificate for an exemption from the tax. All discounts  
100 allowed the retailer under the state sales tax for the collection of and  
101 for payment of taxes are hereby allowed and made applicable to the  
102 tax. The penalties for violations provided in section 32.057, RSMo, and  
103 sections 144.010 to 144.525, RSMo, are hereby made applicable to  
104 violations of this section. If any person is delinquent in the payment  
105 of the amount required to be paid under this section, or in the event a  
106 determination has been made against the person for the tax and  
107 penalties under this section, the limitation for bringing suit for the  
108 collection of the delinquent tax and penalties shall be the same as that  
109 provided in sections 144.010 to 144.525, RSMo.

110         6. The governing body of any city that has adopted the sales tax  
111 authorized in this section may submit the question of repeal of the tax  
112 to the voters on any date available for elections for the city. The ballot  
113 of submission shall be in substantially the following form:

114         Shall ..... (insert the name of the city)  
115 repeal the sales tax imposed at a rate of ..... (up to one) percent for  
116 the purpose of providing revenues for the operation of public safety  
117 departments of the city?

118                                 ☐ YES                                 ☐ NO

119 If you are in favor of the question, place an "X" in the box opposite

120 "YES". If you are opposed to the question, place an "X" in the box  
121 opposite "NO".

122 If a majority of the votes cast on the question by the qualified voters  
123 voting thereon are in favor of repeal, that repeal shall become effective  
124 on December thirty-first of the calendar year in which such repeal was  
125 approved. If a majority of the votes cast on the question by the  
126 qualified voters voting thereon are opposed to the repeal, then the sales  
127 tax authorized in this section shall remain effective until the question  
128 is resubmitted under this section to the qualified voters and the repeal  
129 is approved by a majority of the qualified voters voting on the question.

130 7. The governing body of any city that has adopted the sales tax  
131 authorized in this section shall submit the question of repeal of the tax  
132 to the voters every five years from the date of its inception on a date  
133 available for elections for the city. The ballot of submission shall be in  
134 substantially the following form:

135 Shall ..... (insert the name of the city)  
136 repeal the sales tax imposed at a rate of ..... (up to one) percent for  
137 the purpose of providing revenues for the operation of public safety  
138 departments of the city?

139 ☐ YES ☐ NO

140 If you are in favor of the question, place an "X" in the box opposite  
141 "YES". If you are opposed to the question, place an "X" in the box  
142 opposite "NO".

143 If a majority of the votes cast on the question by the qualified voters  
144 voting thereon are in favor of repeal, that repeal shall become effective  
145 on December thirty-first of the calendar year in which such repeal was  
146 approved. If a majority of the votes cast on the question by the  
147 qualified voters voting thereon are opposed to the repeal, then the sales  
148 tax authorized in this section shall remain effective until the question  
149 is resubmitted under this section to the qualified voters and the repeal  
150 is approved by a majority of the qualified voters voting on the question.

151 8. Whenever the governing body of any city that has adopted the  
152 sales tax authorized in this section receives a petition, signed by a  
153 number of registered voters of the city equal to at least two percent of  
154 the number of registered voters of the city voting in the last  
155 gubernatorial election, calling for an election to repeal the sales tax  
156 imposed under this section, the governing body shall submit to the

157 voters of the city a proposal to repeal the tax. If a majority of the votes  
158 cast on the question by the qualified voters voting thereon are in favor  
159 of the repeal, the repeal shall become effective on December thirty-first  
160 of the calendar year in which such repeal was approved. If a majority  
161 of the votes cast on the question by the qualified voters voting thereon  
162 are opposed to the repeal, then the sales tax authorized in this section  
163 shall remain effective until the question is resubmitted under this  
164 section to the qualified voters and the repeal is approved by a majority  
165 of the qualified voters voting on the question.

166 9. If the tax is repealed or terminated by any means, all funds  
167 remaining in the special trust fund shall continue to be used solely for  
168 the designated purposes, and the city shall notify the director of the  
169 department of revenue of the action at least ninety days before the  
170 effective date of the repeal and the director may order retention in the  
171 trust fund, for a period of one year, of two percent of the amount  
172 collected after receipt of such notice to cover possible refunds or  
173 overpayment of the tax and to redeem dishonored checks and drafts  
174 deposited to the credit of such accounts. After one year has elapsed  
175 after the effective date of abolition of the tax in such city, the director  
176 shall remit the balance in the account to the city and close the account  
177 of that city. The director shall notify each city of each instance of any  
178 amount refunded or any check redeemed from receipts due the city.

103.080. 1. As used in this section, the following terms shall  
2 mean:

3 (1) "Health savings account" or "account", shall have the same  
4 meaning ascribed to it as in 26 U.S.C. Section 223(d), as amended;

5 (2) "High deductible health plan", a policy or contract of health  
6 insurance or health care plan that meets the criteria established in 26  
7 U.S.C. Section 223(c)(2), as amended, and any regulations promulgated  
8 thereunder.

9 2. Beginning with the open enrollment period for the 2009 plan  
10 year, the board shall offer to all qualified state employees and retirees,  
11 in addition to the plans currently offered including but not limited to  
12 health maintenance organization plans, preferred provider  
13 organization plans, copay plans, and participating public entities the  
14 option of receiving health care coverage through a high deductible  
15 health plan and the establishment of a health savings account. In no

16 instance shall a qualified employee be required to enroll in a high  
17 deductible health plan with a deductible greater than the minimum  
18 allowed by law, however, a qualified employee or retiree shall have the  
19 option to enroll in a high deductible health plan up to the maximum  
20 allowed by law. The health savings account shall conform to the  
21 guidelines to be established by the Internal Revenue Service for the  
22 2009 tax year but in no case shall a qualified employee or retiree be  
23 required to contribute more than the minimum amount allowed by law.  
24 A qualified employee or retiree may contribute up to the maximum  
25 allowed by law. In order for a qualified individual to obtain a high  
26 deductible health plan through the Missouri consolidated health care  
27 plan, such individual shall present evidence, in a manner prescribed by  
28 regulation, to the board that he or she has established a health savings  
29 account in compliance with 26 U.S.C. Section 223, and any amendments  
30 and regulations promulgated thereto.

31 3. The board is authorized to promulgate rules and regulations  
32 for the administration and implementation of this section. Any rule or  
33 portion of a rule, as that term is defined in section 536.010, RSMo, that  
34 is created under the authority delegated in this section shall become  
35 effective only if it complies with and is subject to all of the provisions  
36 of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This  
37 section and chapter 536, RSMo, are nonseverable and if any of the  
38 powers vested with the general assembly pursuant to chapter 536,  
39 RSMo, to review, to delay the effective date, or to disapprove and annul  
40 a rule are subsequently held unconstitutional, then the grant of  
41 rulemaking authority and any rule proposed or adopted after August  
42 28, 2007, shall be invalid and void.

43 4. The board shall issue a request for proposals from companies  
44 interested in offering a high deductible health plan in connection with  
45 a health savings account.

103.085. Except as otherwise provided by sections 103.003 to [103.175]  
2 103.080, medical benefits coverage as provided by sections 103.003 to [103.175]  
3 103.080 shall terminate when the member ceases to be an active employee;  
4 except persons receiving or entitled to receive an annuity or retirement benefit  
5 or disability benefit or the spouse of or unemancipated children of deceased  
6 persons receiving or entitled to receive an annuity or retirement benefit or  
7 disability benefit from the state, participating member agency, institution,

8 political subdivision or governmental entity may elect to continue coverage,  
9 provided the individuals to be covered have been continuously covered for health  
10 care benefits:

11 (1) Under a separate group or individual policy for the six-month period  
12 immediately preceding the member's date of death or disability or eligibility for  
13 normal or early retirement; or

14 (2) Pursuant to sections 103.003 to [103.175] **103.080**, since the effective  
15 date of the most recent open enrollment period prior to the member's date of  
16 death or disability or eligibility for normal or early retirement; or

17 (3) From the initial date of eligibility for the benefits provided by sections  
18 103.003 to [103.175] **103.080; or**

19 (4) **Within sixty days of a loss of group coverage, provided that**  
20 **such coverage was in place for at least twelve consecutive months**  
21 **immediately prior to the loss and that such loss was due to the**  
22 **dependent's termination of employment or termination of group**  
23 **coverage by the dependent's employer. This subdivision only applies**  
24 **to qualifying dependents of members receiving or entitled to receive an**  
25 **annuity or retirement benefit from the state, participating member**  
26 **agency, institution, political subdivision, or governmental entity.**

27 Cost for coverage continued pursuant to this section shall be determined by the  
28 board. If an eligible person does not elect to continue the coverage within  
29 thirty-one days of the first day of the month following the date on which the  
30 eligible person ceases to be an employee, he or she may not later elect to be  
31 covered pursuant to this section.

104.010. 1. The following words and phrases as used in sections 104.010  
2 to 104.800, unless a different meaning is plainly required by the context, shall  
3 mean:

4 (1) "Accumulated contributions", the sum of all deductions for retirement  
5 benefit purposes from a member's compensation which shall be credited to the  
6 member's individual account and interest allowed thereon;

7 (2) "Active armed warfare", any declared war, or the Korean or  
8 Vietnamese Conflict;

9 (3) "Actuarial equivalent", a benefit which, when computed upon the basis  
10 of actuarial tables and interest, is equal in value to a certain amount or other  
11 benefit;

12 (4) "Actuarial tables", the actuarial tables approved and in use by a board  
13 at any given time;



14 (5) "Actuary", the actuary who is a member of the American Academy of  
15 Actuaries or who is an enrolled actuary under the Employee Retirement Income  
16 Security Act of 1974 and who is employed by a board at any given time;

17 (6) "Annuity", annual payments, made in equal monthly installments, to  
18 a retired member from funds provided for in, or authorized by, this chapter;

19 (7) "Average compensation", the average compensation of a member for  
20 the thirty-six consecutive months of service prior to retirement when the  
21 member's compensation was greatest; or if the member is on workers'  
22 compensation leave of absence or a medical leave of absence due to an employee  
23 illness, the amount of compensation the member would have received may be  
24 used, as reported and verified by the employing department; or if the member had  
25 less than thirty-six months of service, the average annual compensation paid to  
26 the member during the period up to thirty-six months for which the member  
27 received creditable service when the member's compensation was the greatest; or  
28 if the member is on military leave, the amount of compensation the member  
29 would have received may be used as reported and verified by the employing  
30 department or, if such amount is not determinable, the amount of the employee's  
31 average rate of compensation during the twelve-month period immediately  
32 preceding such period of leave, or if shorter, the period of employment  
33 immediately preceding such period of leave. **The board of each system may**  
34 **promulgate rules for purposes of calculating average compensation and**  
35 **other retirement provisions to accommodate for any state payroll**  
36 **system in which compensation is received on a monthly, semimonthly,**  
37 **biweekly, or other basis;**

38 (8) "Beneficiary", any person entitled to or nominated by a member or  
39 retiree who may be legally entitled to receive benefits pursuant to this chapter;

40 (9) "Biennial assembly", the completion of no less than two years of  
41 creditable service or creditable prior service by a member of the general assembly;

42 (10) "Board of trustees", "board", or "trustees", a board of trustees as  
43 established for the applicable system pursuant to this chapter;

44 (11) "Chapter", sections 104.010 to 104.800;

45 (12) "Compensation":

46 (a) All salary and wages payable out of any state, federal, trust, or other  
47 funds to an employee for personal services performed for a department; but  
48 including only amounts for which contributions have been made in accordance  
49 with section 104.436, or section 104.070, whichever is applicable, and excluding  
50 any nonrecurring single sum payments or amounts paid after the member's

51 termination of employment unless such amounts paid after such termination are  
52 a final installment of salary or wages at the same rate as in effect immediately  
53 prior to termination of employment in accordance with a state payroll system  
54 adopted on or after January 1, 2000, or any other one-time payments made as a  
55 result of such payroll system;

56 (b) All salary and wages which would have been payable out of any state,  
57 federal, trust or other funds to an employee on workers' compensation leave of  
58 absence during the period the employee is receiving a weekly workers'  
59 compensation benefit, as reported and verified by the employing department;

60 (c) Effective December 31, 1995, compensation in excess of the limitations  
61 set forth in Internal Revenue Code Section 401(a)(17) shall be disregarded. The  
62 limitation on compensation for eligible employees shall not be less than the  
63 amount which was allowed to be taken into account under the system as in effect  
64 on July 1, 1993. For this purpose, an "eligible employee" is an individual who  
65 was a member of the system before the first plan year beginning after December  
66 31, 1995;

67 (13) "Consumer price index", the Consumer Price Index for All Urban  
68 Consumers for the United States, or its successor index, as approved by a board,  
69 as such index is defined and officially reported by the United States Department  
70 of Labor, or its successor agency;

71 (14) "Creditable prior service", the service of an employee which was  
72 either rendered prior to the establishment of a system, or prior to the date the  
73 employee last became a member of a system, and which is recognized in  
74 determining the member's eligibility and for the amount of the member's benefits  
75 under a system;

76 (15) "Creditable service", the sum of membership service and creditable  
77 prior service, to the extent such service is standing to a member's credit as  
78 provided in this chapter; except that in no case shall more than one day of  
79 creditable service or creditable prior service be credited any member for any one  
80 calendar day of eligible service credit as provided by law;

81 (16) "Deferred normal annuity", the annuity payable to any former  
82 employee who terminated employment as an employee or otherwise withdrew  
83 from service with a vested right to a normal annuity, payable at a future date;

84 (17) "Department", any department or agency of the executive, legislative  
85 or judicial branch of the state of Missouri receiving state appropriations,  
86 including allocated funds from the federal government but not including any body  
87 corporate or politic unless its employees are eligible for retirement coverage from

88 a system pursuant to this chapter as otherwise provided by law;

89 (18) "Disability benefits", benefits paid to any employee while totally  
90 disabled as provided in this chapter;

91 (19) "Early retirement age", a member's attainment of fifty-five years of  
92 age and the completion of ten or more years of creditable service, except for  
93 uniformed members of the water patrol;

94 (20) "Employee":

95 (a) Any elective or appointive officer or person employed by the state who  
96 is employed, promoted or transferred by a department into a new or existing  
97 position and earns a salary or wage in a position normally requiring the  
98 performance by the person of duties during not less than one thousand **forty**  
99 hours per year, including each member of the general assembly but not including  
100 any patient or inmate of any state, charitable, penal or correctional  
101 institution. [Beginning September 1, 2001, the term "year" as used in this  
102 subdivision shall mean the twelve-month period beginning on the first day of  
103 employment.] However, persons who are members of the public school retirement  
104 system and who are employed by a state agency other than an institution of  
105 higher learning shall be deemed employees for purposes of participating in all  
106 insurance programs administered by a board established pursuant to section  
107 104.450. This definition shall not exclude any employee as defined in this  
108 subdivision who is covered only under the federal Old Age and Survivors'  
109 Insurance Act, as amended. As used in this chapter, the term "employee" shall  
110 include:

111 a. Persons who are currently receiving annuities or other retirement  
112 benefits from some other retirement or benefit fund, so long as they are not  
113 simultaneously accumulating creditable service in another retirement or benefit  
114 system which will be used to determine eligibility for or the amount of a future  
115 retirement benefit;

116 b. Persons who have elected to become or who have been made members  
117 of a system pursuant to section 104.342;

118 (b) Any person who **is not a retiree and** has performed services in the  
119 employ of the general assembly or either house thereof, or any employee of any  
120 member of the general assembly while acting in the person's official capacity as  
121 a member, and whose position does not normally require the person to perform  
122 duties during at least one thousand **forty** hours per year, with a month of service  
123 being any monthly pay period in which the employee was paid for full-time  
124 employment for that monthly period; **except that persons described in this**

125 **paragraph shall not include any such persons who are employed on or**  
126 **after August 28, 2007, and who have not previously been employed in**  
127 **such positions;**

128 (c) "Employee" does not include special consultants employed pursuant to  
129 section 104.610;

130 (d) [As used in this chapter, the hours governing the definition of  
131 employee shall be applied only from August 13, 1988, forward;

132 (e)] The system shall consider a person who is employed in multiple  
133 positions simultaneously within a single agency to be working in a single position  
134 for purposes of determining whether the person is an employee as defined in this  
135 subdivision;

136 (21) "Employer", a department of the state;

137 (22) "Executive director", the executive director employed by a board  
138 established pursuant to the provisions of this chapter;

139 (23) "Fiscal year", the period beginning July first in any year and ending  
140 June thirtieth the following year;

141 (24) "Full biennial assembly", the period of time beginning on the first day  
142 the general assembly convenes for a first regular session until the last day of the  
143 following year;

144 (25) "Fund", the benefit fund of a system established pursuant to this  
145 chapter;

146 (26) "Interest", interest at such rate as shall be determined and prescribed  
147 from time to time by a board;

148 (27) "Member", as used in sections 104.010 to 104.272 or 104.601 to  
149 104.800 shall mean [a member of the highways and transportation employees'  
150 and highway patrol retirement system without regard to whether or not the  
151 member has been retired] **an employee, retiree, or former employee**  
152 **entitled to a deferred annuity covered by the Missouri department of**  
153 **transportation and highway patrol employees' retirement**  
154 **system.** "Member", as used in this section and sections 104.312 to 104.800, shall  
155 mean [a member of] **an employee, retiree, or former employee entitled to**  
156 **deferred annuity covered by** the Missouri state employees' retirement system  
157 [without regard to whether or not the member has been retired];

158 (28) "Membership service", the service after becoming a member that is  
159 recognized in determining a member's eligibility for and the amount of a  
160 member's benefits under a system;

161 (29) "Military service", all active service performed in the United States

162 Army, Air Force, Navy, Marine Corps, Coast Guard, and members of the United  
163 States Public Health Service or any women's auxiliary thereof; and service in the  
164 Army national guard and Air national guard when engaged in active duty for  
165 training, inactive duty training or full-time national guard duty, and service by  
166 any other category of persons designated by the President in time of war or  
167 emergency;

168 (30) "Normal annuity", the annuity provided to a member upon retirement  
169 at or after the member's normal retirement age;

170 (31) "Normal retirement age", an employee's attainment of sixty-five years  
171 of age and the completion of four years of creditable service or the attainment of  
172 age sixty-five years of age and the completion of five years of creditable service  
173 by a member who has terminated employment and is entitled to a deferred  
174 normal annuity or the member's attainment of age sixty and the completion of  
175 fifteen years of creditable service, except that normal retirement age for  
176 uniformed members of the highway patrol shall be fifty-five years of age and the  
177 completion of four years of creditable service and uniformed employees of the  
178 water patrol shall be fifty-five years of age and the completion of four years of  
179 creditable service or the attainment of age fifty-five and the completion of five  
180 years of creditable service by a member of the water patrol who has terminated  
181 employment and is entitled to a deferred normal annuity and members of the  
182 general assembly shall be fifty-five years of age and the completion of three full  
183 biennial assemblies. Notwithstanding any other provision of law to the contrary,  
184 a member of the highways and transportation employees' and highway patrol  
185 retirement system or a member of the Missouri state employees' retirement  
186 system shall be entitled to retire with a normal annuity and shall be entitled to  
187 elect any of the survivor benefit options and shall also be entitled to any other  
188 provisions of this chapter that relate to retirement with a normal annuity if the  
189 sum of the member's age and creditable service equals eighty years or more and  
190 if the member is at least forty-eight years of age;

191 (32) "Payroll deduction", deductions made from an employee's  
192 compensation;

193 (33) "Prior service credit", the service of an employee rendered prior to the  
194 date the employee became a member which service is recognized in determining  
195 the member's eligibility for benefits from a system but not in determining the  
196 amount of the member's benefit;

197 (34) "Reduced annuity", an actuarial equivalent of a normal annuity;

198 (35) "Retiree", a member who is not an employee and who is receiving an

199 annuity from a system pursuant to this chapter;

200 (36) "System" or "retirement system", the [highways and transportation  
201 employees' and highway patrol retirement system] **Missouri department of**  
202 **transportation and highway patrol employees' retirement system**, as  
203 created by sections 104.010 to 104.270, or sections 104.601 to 104.800, or the  
204 Missouri state employees' retirement system as created by sections 104.320 to  
205 104.800;

206 (37) "Uniformed members of the highway patrol", the superintendent,  
207 lieutenant colonel, majors, captains, director of radio, lieutenants, sergeants,  
208 corporals, and patrolmen of the Missouri state highway patrol who normally  
209 appear in uniform;

210 (38) "Uniformed members of the water patrol", employees of the Missouri  
211 state water patrol of the department of public safety who are classified as water  
212 patrol officers who have taken the oath of office prescribed by the provisions of  
213 chapter 306, RSMo, and who have those peace officer powers given by the  
214 provisions of chapter 306, RSMo;

215 (39) "Vesting service", the sum of a member's prior service credit and  
216 creditable service which is recognized in determining the member's eligibility for  
217 benefits under the system.

218 2. Benefits paid pursuant to the provisions of this chapter shall not exceed  
219 the limitations of Internal Revenue Code Section 415, the provisions of which are  
220 hereby incorporated by reference. **Notwithstanding any other law to the**  
221 **contrary, the board of trustees may establish a benefit plan under**  
222 **Section 415(m) of the Internal Revenue Code of 1986, as amended. Such**  
223 **plan shall be created solely for the purposes described in Section**  
224 **415(m)(3)(A) of the Internal Revenue Code of 1986, as amended. The**  
225 **board of trustees may promulgate regulations necessary to implement**  
226 **the provisions of this subsection and to create and administer such**  
227 **benefit plan.**

104.040. 1. Any member shall be entitled to creditable prior service  
2 within the meaning of sections 104.010 to [104.270] **104.272** for all service in the  
3 United States Army, Navy, or other armed services of the United States, or any  
4 women's auxiliary thereof in time of active armed warfare, if such member was  
5 a state employee immediately prior to his or her entry into the armed services  
6 and became an employee of the state within ninety days after termination of such  
7 service by an honorable discharge or release to inactive status; the requirement  
8 of section 104.010 of duties during not less than one thousand hours for status

9 as an "employee" shall not apply to persons who apply for creditable prior service  
10 pursuant to the provisions of this section.

11 2. Any member of the system who served as an employee prior to the  
12 original effective date of sections 104.010 to [104.270] **104.272**, but was not an  
13 employee on that date, shall be entitled to creditable prior service that such  
14 member would have been entitled to had such member become a member of the  
15 retirement system on the date of its inception if such member has, or hereafter  
16 attains, one year of continuous membership service.

17 3. Any employee who completes one continuous year of creditable service  
18 in the system shall receive credit for service with a state department, if such  
19 service has not otherwise been credited.

20 4. Any member who had served in the armed forces of the United States  
21 prior to becoming a member, or who is otherwise ineligible pursuant to subsection  
22 1 of this section or other provisions of this chapter, and who became a member  
23 after his or her discharge under honorable conditions may elect, prior to  
24 retirement, to purchase all of his or her creditable prior service equivalent to such  
25 service in the armed forces, but not to exceed four years, if the member is not  
26 receiving and is not eligible to receive retirement credits or benefits from any  
27 other public or private retirement plan for the service to be purchased, and an  
28 affidavit so stating shall be filed by the member with the retirement  
29 system. However, if the member is eligible to receive retirement credits in a  
30 United States military service retirement system, the member shall be permitted  
31 to purchase creditable prior service equivalent to his or her service in the armed  
32 services, but not to exceed four years, any other provision of law to the contrary  
33 notwithstanding. The purchase shall be effected by the member's paying to the  
34 retirement system an amount equal to what would have been contributed by the  
35 state in his or her behalf had the member been a member for the period for which  
36 the member is electing to purchase credit and had his or her compensation during  
37 such period of membership been the same as the annual salary rate at which the  
38 member was initially employed as a member, with the calculations based on the  
39 contribution rate in effect on the date of his or her employment with simple  
40 interest calculated from date of employment from which the member could first  
41 receive creditable service to the date of election pursuant to this subsection. The  
42 payment shall be made over a period of not longer than two years, measured from  
43 the date of election, and with simple interest on the unpaid balance. Payments  
44 made for such creditable prior service pursuant to this subsection shall be treated  
45 by the retirement system as would contributions made by the state and shall not

46 be subject to any prohibition on member contributions or refund provisions in  
47 effect at the time of enactment of this subsection.

48         5. Any uniformed member of the highway patrol who served as a certified  
49 police officer prior to becoming a member may elect, prior to retirement, to  
50 purchase all of his or her creditable prior service equivalent to such service in the  
51 police force, but not to exceed four years, if he or she is not receiving and is not  
52 eligible to receive credits or benefits from any other public or private retirement  
53 plan for the service to be purchased, and an affidavit so stating shall be filed by  
54 the member with the retirement system. The purchase shall be effected by the  
55 member's paying to the retirement system an amount equal to what would have  
56 been contributed by the state in his or her behalf had he or she been a member  
57 of the system for the period for which the member is electing to purchase credit  
58 and had his compensation during such period been the same as the annual salary  
59 rate at which the member was initially employed as a member, with the  
60 calculations based on the contribution rate in effect on the date of his or her  
61 employment with simple interest calculated from the date of employment from  
62 which the member could first receive creditable service to the date of election  
63 pursuant to the provisions of this section. The payment shall be made over a  
64 period of not longer than two years, measured from the date of election, and with  
65 simple interest on the unpaid balance. Payments made for such creditable prior  
66 service pursuant to the provisions of this section shall be treated by the  
67 retirement system as would contributions made by the state and shall not be  
68 subject to any prohibition on member contributions or refund provisions in effect  
69 at the time of enactment of this section.

70         6. Any [uniformed] member of the [highway patrol] **system under**  
71 **section 104.030 or 104.170 who is an active employee and** who served as  
72 a nonfederal full-time public employee in this state prior to becoming a member  
73 may elect, prior to retirement, to purchase all of his or her creditable prior service  
74 equivalent to such service, but not to exceed four years, if he or she is not  
75 receiving and is not eligible to receive credits or benefits from any other public  
76 plan for the service to be purchased[, and an affidavit so stating shall be filed by  
77 the member with the retirement system]. The purchase shall be effected by the  
78 member's paying to the retirement system an amount equal to what would have  
79 been contributed by the state in his or her behalf had he or she been a member  
80 of the system for the period for which the member is electing to purchase credit  
81 and had his compensation during such period been the same as the annual salary  
82 rate at which the member was initially employed as a member, with the



83 calculations based on the contribution rate in effect on the date of his or her  
84 employment with simple interest calculated from the date of employment from  
85 which the member could first receive creditable service to the date of election  
86 pursuant to the provisions of this section. The payment shall be made over a  
87 period of not longer than two years, measured from the date of election, and with  
88 simple interest on the unpaid balance. Payments made for such creditable prior  
89 service pursuant to the provisions of this section shall be treated by the  
90 retirement system as would contributions made by the state and shall not be  
91 subject to any prohibition on member contributions or refund provisions in effect  
92 at the time of enactment of this section. **All purchase payments under this**  
93 **subsection must be completed prior to retirement or prior to**  
94 **termination of employment. If a member who purchased creditable**  
95 **service under this subsection dies prior to retirement, the surviving**  
96 **spouse may, upon written request, receive a refund of the amount**  
97 **contributed for such purchase of such creditable service. The surviving**  
98 **spouse shall not be eligible for a refund under this subsection if he or**  
99 **she is entitled to survivorship benefits payable under section 104.140.**  
100 **A member who is entitled to a deferred annuity under section 104.035**  
101 **shall be ineligible to purchase service under this subsection.**

104.160. The board of trustees shall consist of three members of the state  
2 highways and transportation commission elected by the members of the  
3 commission. The superintendent of the highway patrol and the director of the  
4 department of transportation shall serve as members by virtue of their respective  
5 offices, and their successors shall succeed them as members of the board of  
6 trustees. In addition, one member of the senate appointed by the president pro  
7 tem of the senate and one member of the house of representatives, appointed by  
8 the speaker of the house shall serve as members of the board of trustees. In  
9 addition to the appointed legislators, two active employee members of the system  
10 shall be elected by a plurality vote of the active employee members of the system,  
11 herein designated for four-year terms to commence July 1, 1982, and every four  
12 years thereafter. One elected member shall be elected from the active employees  
13 of the department of transportation and one elected member shall be elected from  
14 the active employees of the civilian or uniformed highway patrol. In addition to  
15 the two active employee members, **[one retired member] two retirees** of the  
16 system shall be elected to serve on the board by a plurality vote of the **[retired**  
17 **members] retirees** of the system. **[The retired member] One retiree** shall be  
18 elected by the retired employees of the transportation department and **one**

19 **retiree shall be elected by** the retired [members] **employees** of the civilian  
20 or uniformed highway patrol. [The first retired member elected to the board shall  
21 serve for a term which shall commence on January 1, 1993, and expire on June  
22 30, 1994. Subsequently elected retired members shall serve for four-year terms  
23 commencing on July 1, 1994, and every four years thereafter, which shall coincide  
24 with the terms of the active employee members of the board.] **The retiree**  
25 **serving on the board on August 28, 2007, shall continue to serve on the**  
26 **board as the representative of the retired employees of the**  
27 **transportation department until June 30, 2010. An election shall be**  
28 **held prior to January 1, 2008, for the retiree to be elected by the**  
29 **retired employees of the civilian or uniformed highway patrol with said**  
30 **term to commence on January 1, 2008, and expire on June 30, 2010. All**  
31 **terms of elected retired employees shall be for four years after June 30,**  
32 **2010.** The board shall determine the procedures for nomination and election of  
33 the elective board members. Nominations may be entered by any member of the  
34 system, provided members of the system have a reasonable opportunity to vote.

104.312. 1. The provisions of subsection 2 of section 104.250, subsection  
2 2 of section 104.540, subsection 2 of section 287.820, RSMo, and section 476.688,  
3 RSMo, to the contrary notwithstanding, any pension, annuity, benefit, right, or  
4 retirement allowance provided pursuant to this chapter, chapter 287, RSMo, or  
5 chapter 476, RSMo, is marital property and after August 28, 1994, a court of  
6 competent jurisdiction may divide the pension, annuity, benefits, rights, and  
7 retirement allowance provided pursuant to this chapter, chapter 287, RSMo, or  
8 chapter 476, RSMo, between the parties to any action for dissolution of marriage.  
9 A division of benefits order issued pursuant to this section:

10 (1) Shall not require the applicable retirement system to provide any form  
11 or type of annuity or retirement plan not selected by the member and not  
12 normally made available by that system;

13 (2) Shall not require the applicable retirement system to commence  
14 payments until the member submits a valid application for an annuity and the  
15 annuity becomes payable in accordance with the application;

16 (3) Shall identify the monthly amount to be paid to the alternate payee,  
17 which shall be expressed as a percentage and which shall not exceed fifty percent  
18 of the amount of the member's annuity accrued during all or part of the time  
19 while the member and alternate payee were married; and which shall be based  
20 on the member's vested annuity on the date of the dissolution of marriage or an  
21 earlier date as specified in the order, which amount shall be adjusted

22 proportionately if the member's annuity is reduced due to early retirement **or the**  
23 **member's annuity is reduced pursuant to section 104.395 under an**  
24 **annuity option in which the member named the alternate payee as**  
25 **beneficiary prior to the dissolution of marriage or pursuant to section**  
26 **104.090 under an annuity option in which the member on or after**  
27 **August 28, 2007, named the alternative payee as beneficiary prior to the**  
28 **dissolution of marriage**, and the percentage established shall be applied to the  
29 pro rata portion of any lump sum distribution pursuant to subsection 6 of section  
30 104.335, accrued during the time while the member and alternate payee were  
31 married;

32 (4) Shall not require the payment of an annuity amount to the member  
33 and alternate payee which in total exceeds the amount which the member would  
34 have received without regard to the order;

35 (5) Shall provide that any benefit formula increases, additional years of  
36 service, increased average compensation or other type of increases accrued after  
37 the date of the dissolution of marriage shall accrue solely to the benefit of the  
38 member; except that on or after September 1, 2001, any annual benefit increase  
39 shall not be considered to be an increase accrued after the date of termination of  
40 marriage and shall be part of the monthly amount subject to division pursuant  
41 to any order issued after September 1, 2001;

42 (6) Shall terminate upon the death of either the member or the alternate  
43 payee, whichever occurs first;

44 (7) Shall not create an interest which is assignable or subject to any legal  
45 process;

46 (8) Shall include the name, address and Social Security number of both  
47 the member and the alternate payee, and the identity of the retirement system  
48 to which it applies;

49 (9) Shall be consistent with any other division of benefits orders which are  
50 applicable to the same member.

51 2. A system established by this chapter shall provide the court having  
52 jurisdiction of a dissolution of marriage proceeding or the parties to the  
53 proceeding with information necessary to issue a division of benefits order  
54 concerning a member of the system, upon written request from either the court,  
55 the member or the member's spouse, which cites this section and identifies the  
56 case number and parties.

57 3. A system established by this chapter shall have the discretionary  
58 authority to reject a division of benefits order for the following reasons:

59 (1) The order does not clearly state the rights of the member and the  
60 alternate payee;

61 (2) The order is inconsistent with any law governing the retirement  
62 system.

63 4. The amount paid to an alternate payee under an order issued pursuant  
64 to this section shall be based on [what the member would have received had the  
65 member elected coverage under the closed plan pursuant to section 104.1015  
66 regardless of the actual election made by the member pursuant to that section]  
67 **the plan the member was in on the date of the dissolution of marriage;**  
68 except that any annual benefit increases subject to division shall be based on the  
69 actual annual benefit increases received after the retirement plan election.

104.320. 1. For the purpose of providing retirement income and other  
2 benefits to employees of the state, there is hereby created and established a  
3 retirement system which shall be a body corporate and an instrumentality of the  
4 state, which shall be under the management of a board of trustees herein  
5 described, and shall be known as the "Missouri State Employees' Retirement  
6 System". In the system shall be vested the powers and duties specified in  
7 sections 104.010 and 104.320 to 104.800 and such other powers as may be  
8 necessary or proper to enable it, its officers, employees, and agents to carry out  
9 fully and effectively all the purposes of sections 104.010 and 104.320 to 104.800.

10 **2. Notwithstanding any provision of law to the contrary, the**  
11 **system is also authorized and empowered to provide services in**  
12 **connection with medical benefit funds established or maintained for**  
13 **state employees, retirees, and their dependents who are participants in**  
14 **a state medical plan administered by the Missouri consolidated health**  
15 **plan established under section 103.005, RSMo, or other medical benefit**  
16 **plans established or maintained by the state for its employees, retirees,**  
17 **and their dependents. All such plans described in this section shall be**  
18 **welfare plans referred to as "State Medical Plans". The services to be**  
19 **provided by the system shall include, but not be limited to, the**  
20 **investment of assets of such state medical plans. Such services to be**  
21 **provided by the system shall be provided under a trust agreement**  
22 **between the board, as trustee, and the state medical plan, subject to**  
23 **approval by the board of trustees of the Missouri state employees'**  
24 **retirement system and the state medical plan. The system shall be**  
25 **vested with the powers and duties specified in section 104.010 and**  
26 **sections 104.320 to 104.1093 and such other powers as may be necessary**

27 or proper to enable it, its officers, employees, and agents to carry out  
28 fully and effectively all the purposes of this subsection. Whenever the  
29 system is acting under section 104.010 and sections 104.320 to 104.1093  
30 with respect to services provided under this subsection, the provisions  
31 of such sections shall be read to apply to services provided under this  
32 subsection and not to services provided under subsection 1 of this  
33 section.

34       3. Notwithstanding any provision of law to the contrary, the  
35 board shall set up and maintain a separate employee and retiree  
36 medical benefit trust for each state medical plan that the system  
37 contracts with under subsection 2 of this section in which shall be  
38 placed contributions made to the board by the state of Missouri, either  
39 directly or indirectly through the medical benefit plan, to fund benefits  
40 payable under such state medical plan. No such contributions made  
41 from the medical benefit plan's trust fund shall be transferred to the  
42 board without the approval of the medical benefit plan's governing  
43 body. All property, money, funds, investments, and rights so received  
44 and accepted by the board together with proceeds and reinvestments  
45 thereof shall be dedicated to and held in a separate trust, known as the  
46 medical benefit trust, for the exclusive purpose of satisfying the  
47 obligations of the applicable state medical plan to pay health care and  
48 other medical benefits to employee and retiree participants and their  
49 dependents under such state medical plan. At no time shall any part  
50 of a medical benefit trust be used for or diverted to any purpose other  
51 than for the exclusive purpose of satisfying the obligations of the  
52 applicable state medical plan to provide health care and other medical  
53 benefits to employee and retiree participants and their dependents,  
54 including payment of benefits on behalf of such participants under such  
55 state medical plan and payment of reasonable expenses of the medical  
56 benefit trust. The board may establish one or more trust instruments  
57 that set forth the terms and conditions for holding, investing, and  
58 distributing assets of a medical benefit trust that are consistent with  
59 subsection 2 of this section. Such medical benefit trust may be  
60 irrevocable. A separate account for a state medical plan may be  
61 established under a separate trust instrument. The board may  
62 consolidate the retiree assets of one or more medical benefit trusts in  
63 a single fund or funds, a "master trust", that may be commingled for

64 investment purposes, and subject to the applicable trust agreement,  
65 may commingle the retiree assets of one or more medical benefit trusts  
66 with assets of the system for investment purposes. In the event the  
67 board commingles assets of one or more trusts for investment purposes,  
68 it shall maintain separate bookkeeping accounts reflecting the separate  
69 share in each investment pool of each participating trust. The board  
70 shall have power to purchase, acquire, hold, invest, lend, lease, sell,  
71 assign, transfer, and dispose of all property, rights, and securities and  
72 enter into written contracts and may employ or contract with third-  
73 party advisors all as may be necessary or proper to carry out the  
74 purposes of this subsection and subsection 2 of this section. The board  
75 shall have the power to borrow money for any of the authorized  
76 purposes of the board and to issue negotiable notes, bonds, or other  
77 instruments in writing in evidence of the sum or sums to be  
78 borrowed. Whenever the system is acting under section 104.010 and  
79 sections 104.320 to 104.1093 with respect to an account established  
80 under this subsection, the provisions of such sections shall be read to  
81 apply to an account provided under this subsection and not accounts  
82 established under subsection 1 of section 104.440.

83       4. The board shall make such payments from a medical benefit  
84 trust to or for the benefit of the participants in a state medical plan  
85 and their dependents, at such time, in such manner, in such amounts,  
86 in such form, and for such purposes as may be specified in one or more  
87 directives by the state medical plan administrator authorized to direct  
88 payment of benefits under such state medical plan from time to time or  
89 as provided in a trust agreement governing such medical benefit trust,  
90 and the board shall have no responsibility and shall be without liability  
91 for any payment made under such direction. The board shall be under  
92 no duty or obligation to make any inquiry or investigation as to  
93 whether any direction is made under the provisions of any state  
94 medical plan and shall not be responsible in any respect for the  
95 administration of any state medical plan. Payment in response to such  
96 direction shall be a complete discharge of the board of its  
97 responsibility for the holding and safekeeping of such assets and any  
98 assets paid over shall no longer constitute part of the medical benefit  
99 trust.

100       5. The board shall invest the funds of a medical benefit trust in

101 the same manner as it invests funds of the retirement system as  
102 permitted by sections 105.686 to 105.690, RSMo.

103 **6. The board may authorize the executive director to assist with**  
104 **programs and procedures pertaining to payroll for state employees and**  
105 **any state employee benefits as requested by the office of administration**  
106 **or other state agencies.**

104.344. Notwithstanding any other law to the contrary, any person who  
2 is actively employed by the state of Missouri in a position covered by a retirement  
3 plan administered by the Missouri state employees' retirement system and who  
4 had nonfederal full-time public employment in the state of Missouri [or who had  
5 provided full-time services for compensation to the state of Missouri under a  
6 contract], and who by virtue of such employment was a member of a retirement  
7 system or other employer-sponsored retirement plan other than the Missouri  
8 state employees' retirement system but is not vested in such other retirement  
9 system or plan, or was not a member of any retirement system or plan, may elect,  
10 prior to retirement, to purchase all of the member's creditable prior service but  
11 not to exceed four years for such service in any plan administered by the Missouri  
12 state employees' retirement system in which the person is receiving service credit  
13 for active employment or is eligible for a deferred annuity. The purchase shall  
14 be effected by the person paying to the Missouri state employees' retirement  
15 system an amount equal to what would have been contributed by the state in his  
16 or her behalf had the person been a member for the period for which he or she is  
17 electing to purchase credit and had the person's compensation during such period  
18 been the same as the annual salary rate at which the person was initially  
19 employed in a position covered by a plan administered by the Missouri state  
20 employees' retirement system **or the Missouri department of transportation**  
21 **and highway patrol employees' retirement system**, with the calculations  
22 based on the contribution rate in effect on the date of his or her employment  
23 under the provisions of the Missouri state employees' retirement system with  
24 simple interest calculated from the date of employment from which the person  
25 could first receive creditable service from the Missouri state employees'  
26 retirement system to the date of election to purchase such service. The payment  
27 shall be made over a period of not longer than two years, with simple interest on  
28 the unpaid balance. In no event shall any [person receive credit or benefits under  
29 any other] **individual be eligible to purchase creditable service under**  
30 **this section if such individual after the completion of such purchase**  
31 **has or will receive credit or service under another** retirement plan as

32 defined pursuant to section 105.691, RSMo, for [creditable service] **the same**  
33 **time period of service being** purchased pursuant to the provisions of this  
34 section. The contribution rate for any judge who elects to purchase service for a  
35 period prior to July 1, 1998, shall be equal to a contribution rate which would be  
36 used if the judicial system were funded on an actuarial basis prior to that date.

104.352. 1. [Any employee or former employee described in paragraph (b)  
2 of subdivision (18) of section 104.010 is entitled to credit for all prior service and  
3 membership service as if he had been a member of the system on the date of its  
4 inception. Any such employee shall be considered a member of the system from  
5 the date of his or her employment and shall receive credit for each month of  
6 service for which he is employed with service being computed as if part-time  
7 employment with the general assembly were full-time employment for the period  
8 the member was so employed.

9 2.] Each employee described in paragraph (b) of subdivision [(18)] **(20)** of  
10 section 104.010 shall be entitled to the same insurance benefits provided under  
11 sections 103.003 to 103.175, RSMo to employees described in paragraph (a) of  
12 subdivision [(18)] **(20)** of section 104.010 to cover the medical expenses of such  
13 employees and their spouses and children. Such insurance benefits shall be made  
14 available to employees described in paragraph (b) of subdivision [(18)] **(20)** of  
15 section 104.010 upon their initial employment as such employees in the same  
16 manner provided for employees described in paragraph (a) of subdivision [(18)]  
17 **(20)** of section 104.010, and shall be continued during any period of time, not to  
18 exceed one year, in which such employees are not paid for full-time employment,  
19 so long as such employees pay the same amount for such insurance benefits as  
20 is required of employees described in paragraph (a) of subdivision [(18)] **(20)** of  
21 section 104.010 who continue receiving such insurance benefits during a leave of  
22 absence without pay from their employment with the state. Any employee  
23 described in paragraph (b) of subdivision [(18)] **(20)** of section 104.010 who is  
24 reemployed by the general assembly or either house thereof, or by any member  
25 of the general assembly while acting in his official capacity as a member, by the  
26 thirteenth legislative day of the session of the general assembly immediately  
27 following the session of the general assembly in which such employee was last so  
28 employed, without having elected to discontinue the insurance benefits described  
29 in this subsection, shall be entitled to continue such insurance benefits without  
30 having to prove insurability for himself or any of his covered dependents for  
31 whom he has paid for such coverage continuously since last employed as an  
32 employee described in paragraph (b) of subdivision [(18)] **(20)** of section



33 104.010. Any employee described in paragraph (b) of subdivision [(18)] **(20)** of  
34 section 104.010 who is not reemployed by the general assembly or either house  
35 thereof, or by any member of the general assembly while acting in his official  
36 capacity as a member, by the thirteenth legislative day of the session of the  
37 general assembly immediately following the session of the general assembly in  
38 which such employee was last so employed, shall be deemed terminated as an  
39 employee as of such thirteenth legislative day, and the insurance benefits  
40 provided for such employee under this subsection and sections 103.003 to 103.175,  
41 RSMo, shall be terminated as provided for employees described in paragraph (a)  
42 of subdivision [(18)] **(20)** of section 104.010 whose employment is  
43 terminated. During each month of service in which an employee described in  
44 paragraph (b) of subdivision [(18)] **(20)** of section 104.010 is employed, the state  
45 shall make any contribution required by sections 103.003 to 103.175, RSMo, for  
46 such employee.

47 **[3.] 2.** Any employee described in paragraph (b) of subdivision [(18)] **(20)**  
48 of section 104.010 who is actively employed on or after September 28, 1992, shall  
49 be deemed vested for purposes of determining eligibility for benefits under  
50 sections 104.320 to 104.620 after being so employed for at least sixty months.

104.354. In each fiscal year in which retirement benefits are to be paid to  
2 retired employees described in paragraph (b) of subdivision [(18)] **(20)** of section  
3 104.010 because of the provisions of section 104.352, funding for such benefits  
4 shall be provided as set forth in section 104.436. All benefits paid because of the  
5 provisions of section 104.352 shall be paid by the retirement system along with  
6 all other retirement benefits due such retired employees under the retirement  
7 system.

104.380. If a retired member is elected to any state office or is appointed  
2 to any state office or is employed by a department in a position normally  
3 requiring the performance by the person of duties during not less than one  
4 thousand **forty** hours per year, the member shall not receive an annuity for any  
5 month or part of a month for which the member serves as an officer or employee,  
6 but the member shall be considered to be a new employee with no previous  
7 creditable service and must accrue creditable service **continuously for at least**  
8 **one year** in order to receive any additional annuity. Any retired member who  
9 again becomes an employee and who accrues additional creditable service and  
10 later retires shall receive an additional amount of monthly annuity calculated to  
11 include only the creditable service and the average compensation earned by the  
12 member since such employment or creditable service earned as a member of the

13 general assembly. Years of membership service and twelfths of a year are to be  
14 used in calculating any additional annuity except for creditable service earned as  
15 a member of the general assembly, and such additional annuity shall be based on  
16 the type of service accrued. In either event, the original annuity and the  
17 additional annuity, if any, shall be paid commencing with the end of the first  
18 month after the month during which the member's term of office has been  
19 completed, or the member's employment terminated. If a retired member is  
20 employed by a department in a position that does not normally require the person  
21 to perform duties during at least one thousand **forty** hours per year, the member  
22 shall not be considered an employee as defined pursuant to section 104.010. A  
23 retired member who becomes reemployed as an employee on or after August 28,  
24 2001, in a position covered by the highways and transportation employees' and  
25 highway patrol retirement system shall not be eligible to receive retirement  
26 benefits or additional creditable service from the state employees' retirement  
27 system.

104.395. 1. In lieu of the normal annuity otherwise payable to a member  
2 pursuant to [section] **sections** 104.335, 104.370, 104.371, 104.374, or 104.400,  
3 and prior to the last business day of the month before the annuity starting date  
4 pursuant to section 104.401, a member shall elect whether or not to have such  
5 member's normal annuity reduced as provided by the options set forth in this  
6 section; provided that if such election has not been made within such time,  
7 annuity payments due beginning on and after such annuity starting date shall  
8 be made the month following the receipt by the system of such election, and  
9 further provided, that if such person dies after such annuity starting date but  
10 before making such election, no benefits shall be paid except as required pursuant  
11 to section 104.420:

Option 1. An actuarial reduction approved by the board of the member's  
13 annuity in reduced monthly payments for life during retirement with the  
14 provision that upon the member's death the reduced annuity at the date of the  
15 member's death shall be continued throughout the life of, and be paid to, the  
16 member's spouse to whom the member was married at the date of retirement and  
17 who was nominated by the member to receive such payments in the member's  
18 application for retirement or as otherwise provided pursuant to subsection 5 of  
19 this section. Such annuity shall be reduced in the same manner as an annuity  
20 under option 2 as in effect immediately prior to August 28, 1997. The surviving  
21 spouse shall designate a beneficiary to receive any final monthly payment due  
22 after the death of the surviving spouse; or

23           Option 2. The member's normal annuity in regular monthly payments for  
24 life during the member's retirement with the provision that upon the member's  
25 death a survivor's benefit equal to one-half the member's annuity at the date of  
26 the member's death shall be paid to the member's spouse to whom the member  
27 was married at the date of retirement and who was nominated by the member to  
28 receive such payments in the member's application for retirement or as otherwise  
29 provided pursuant to subsection 5 of this section, in regular monthly payments  
30 for life. The surviving spouse shall designate a beneficiary to receive any final  
31 monthly payment due after the death of the surviving spouse; or

32           Option 3. An actuarial reduction approved by the board of the member's  
33 normal annuity in reduced monthly payments for the member's life with the  
34 provision that if the member dies prior to the member having received one  
35 hundred twenty monthly payments of the member's reduced annuity, the  
36 member's reduced annuity to which the member would have been entitled had the  
37 member lived shall be paid for the remainder of the one hundred twenty months'  
38 period to such person as the member shall have nominated by written designation  
39 duly executed and filed with the board. If there is no such beneficiary surviving  
40 the retirant, the reserve for such annuity for the remainder of such one hundred  
41 twenty months' period shall be paid [to the retirant's estate] **as provided under**  
42 **subsection 3 of section 104.620**. If such beneficiary dies after the member's  
43 date of death but before having received the remainder of the one hundred twenty  
44 monthly payments of the retiree's reduced annuity, the reserve for such annuity  
45 for the remainder of such one hundred twenty-month period shall be paid [to the  
46 beneficiary's estate] **as provided under subsection 3 of section 104.620**; or

47           Option 4. An actuarial reduction approved by the board of the member's  
48 normal annuity in reduced monthly payments for the member's life with the  
49 provision that if the member dies prior to the member having received sixty  
50 monthly payments of the member's reduced annuity, the member's reduced  
51 annuity to which the member would have been entitled had the member lived  
52 shall be paid for the remainder of the sixty months' period to such person as the  
53 member shall have nominated by written designation duly executed and filed  
54 with the board. If there be no such beneficiary surviving the retirant, the reserve  
55 for such annuity for the remainder of such sixty months' period shall be paid [to  
56 the retirant's estate] **as provided under subsection 3 of section 104.620**. If  
57 such beneficiary dies after the member's date of death but before having received  
58 the remainder of the sixty monthly payments of the retiree's reduced annuity, the  
59 reserve for such annuity for the remainder of the sixty-month period shall be paid

60 [to the beneficiary's estate] as provided under subsection 3 of section  
61 104.620.

62 2. Effective July 1, 2000, if a member is married as of the annuity starting  
63 date to a person who has been the member's spouse, the member's annuity shall  
64 be paid pursuant to the provisions of either option 1 or option 2 as set forth in  
65 subsection 1 of this section, at the member's choice, with the spouse as the  
66 member's designated beneficiary unless the spouse consents in writing to the  
67 member electing another available form of payment.

68 3. For members who retire on or after August 28, 1995, in the event such  
69 member elected a joint and survivor option pursuant to the provisions of this  
70 section and the member's eligible spouse or eligible former spouse precedes the  
71 member in death, the member's annuity shall revert effective the first of the  
72 month following the death of the spouse or eligible former spouse regardless of  
73 when the board receives the member's written application for the benefit provided  
74 in this subsection, to an amount equal to the member's normal annuity, as  
75 adjusted for early retirement if applicable; such benefit shall include any  
76 increases the member would have received since the date of retirement had the  
77 member elected a normal annuity. **If a member dies prior to notifying the**  
78 **system of the spouse's death, the benefit will not revert to a normal**  
79 **annuity and no retroactive payments shall be made.**

80 4. Effective on or after August 28, 1995, any retired member who had  
81 elected a joint and survivor option and whose spouse or eligible former spouse  
82 precedes or preceded the member in death shall upon application to the board be  
83 made, constituted, appointed and employed by the board as a special consultant  
84 on the problems of retirement, aging and other state matters. As a special  
85 consultant pursuant to the provisions of this section, the member's reduced  
86 annuity shall revert to a normal annuity as adjusted for early retirement, if  
87 applicable, effective the first of the month following the death of the spouse or  
88 eligible former spouse or August 28, 1995, whichever is later, [regardless of when  
89 the board receives the member's written application] **if the member cancels**  
90 **the member's original joint and survivor election;** such annuity shall  
91 include any increases the retired member would have received since the date of  
92 retirement had the member elected a normal annuity.

93 5. Effective July 1, 2000, a member may make an election under option  
94 1 or 2 after the date retirement benefits are initiated if the member makes such  
95 election within one year from the date of marriage or July 1, 2000, whichever is  
96 later, under any of the following circumstances:

97 (1) The member elected to receive a normal annuity and was not eligible  
98 to elect option 1 or 2 on the date retirement benefits were initiated; or

99 (2) The member's annuity reverted to a normal annuity pursuant to  
100 subsection 3 or 4 of this section and the member remarried.

101 6. Any person who terminates employment or retires prior to July 1, 2000,  
102 shall be made, constituted, appointed and employed by the board as a special  
103 consultant on the problems of retirement, aging and other state matters, and for  
104 such services shall be eligible to elect to receive the benefits described in  
105 subsection 5 of this section.

106 7. Effective September 1, 2001, the retirement application of any member  
107 who fails to make an election pursuant to subsection 1 of this section within  
108 ninety days of the annuity starting date contained in such retirement application  
109 shall be nullified. Any member whose retirement application is nullified shall not  
110 receive retirement benefits until the member files a new application for  
111 retirement pursuant to section 104.401 and makes the election pursuant to  
112 subsection 1 of this section. In no event shall any retroactive retirement benefits  
113 be paid.

114 8. **A member may change a member's election made under this**  
115 **section at any time prior to the system mailing or electronically**  
116 **transferring the first annuity payment to such member.**

**104.606. Any member of either system who purchases creditable**  
2 **service or credited service under this chapter or chapter 105, RSMo,**  
3 **shall apply and complete the purchase prior to applying to receive a**  
4 **retirement annuity in order to receive credit for such purchase.**

104.805. 1. Employees who are earning creditable service in the closed  
2 plan of the Missouri state employees' retirement system and who are, as a result  
3 of the provisions of this section and sections 226.008, 389.005, 389.610, and  
4 621.040, RSMo, transferred to the department of transportation will not become  
5 members of the closed plan of the [highways and transportation employees' and  
6 highway patrol] **Missouri department of transportation and highway**  
7 **patrol employees'** retirement system unless they elect to transfer membership  
8 and creditable service to the closed plan of the [highways and transportation  
9 employees' and highway patrol] **Missouri department of transportation and**  
10 **highway patrol employees'** retirement system. The election must be in  
11 writing and must be made within [ninety] **sixty** days of [July 11, 2002] **August**  
12 **28, 2007.** Any election to transfer membership and creditable service to the  
13 [highways and transportation employees' and highway patrol] **Missouri**

14 **department of transportation and highway patrol employees'** retirement  
15 system shall result in the forfeiture of any rights or benefits in the Missouri state  
16 employees' retirement system. Any failure to elect to transfer membership and  
17 creditable service pursuant to this subsection will result in the employees  
18 remaining in the closed plan of the Missouri state employees' retirement system.  
19 If an election is made, the effective date for commencement of membership and  
20 transfer of such creditable service shall be January 1, [2003] **2008**.

21         2. Employees who are earning credited service in the year 2000 plan of  
22 the Missouri state employees' retirement system and who are, as a result of the  
23 provisions of this section and sections 226.008, 389.005, 389.610, and 621.040,  
24 RSMo, transferred to the department of transportation will remain in the year  
25 2000 plan administered by the Missouri state employees' retirement system  
26 unless they elect to transfer membership and credited service to the year 2000  
27 plan administered by the [highways and transportation employees' and highway  
28 patrol] **Missouri department of transportation and highway patrol**  
29 **employees'** retirement system. The election must be in writing and must be  
30 made within [ninety] **sixty** days of [July 11, 2002] **August 28, 2007**. Any  
31 election to transfer membership and credited service to the year 2000 plan  
32 administered by the [highways and transportation employees' and highway  
33 patrol] **Missouri department of transportation and highway patrol**  
34 **employees'** retirement system shall result in the forfeiture of any rights or  
35 benefits in the Missouri state employees' retirement system. Any failure to elect  
36 to transfer membership and credited service pursuant to this subsection will  
37 result in the employees remaining in the year 2000 plan administered by the  
38 Missouri state employees' retirement system. If an election is made, the effective  
39 date for commencement of membership and transfer of such creditable service  
40 shall be January 1, [2003] **2008**.

41         3. For any employee who elects under subsection 1 or 2 of this section to  
42 transfer to the [highways and transportation employees' and highway patrol]  
43 **Missouri department of transportation and highway patrol employees'**  
44 retirement system, the Missouri state employees' retirement system shall pay to  
45 the [highways and transportation employees' and highway patrol] **Missouri**  
46 **department of transportation and highway patrol employees'** retirement  
47 system, by December 31, [2002] **2007**, an amount actuarially determined to equal  
48 the liability transferred from the Missouri state employees' retirement system.  
49         4. In no event shall any employee receive service credit for the same  
50 period of service under more than one retirement system as a result of the

51 provisions of this section.

52           5. For any transferred employee who elects under subsection 1 or 2 of this  
53 section to transfer to the [highways and transportation employee's and highway  
54 patrol] **Missouri department of transportation and highway patrol**  
55 **employees'** retirement system, the only medical coverage available for the  
56 employee shall be the medical coverage provided in section 104.270. The effective  
57 date for commencement of medical coverage shall be January 1, [2003]  
58 **2008**. However, this does not preclude medical coverage for the transferred  
59 employee as a dependent under any other health care plan.

60           **6. Those employees transferred to the department of**  
61 **transportation prior to January 1, 2003, under the provisions of this**  
62 **section and sections 226.008, 389.005, 389.610, and 621.040, RSMo, shall**  
63 **not be eligible for the election provisions under this section.**

          104.1003. 1. Unless a different meaning is plainly required by the  
2 context, the following words and phrases as used in sections 104.1003 to 104.1093  
3 shall mean:

4           (1) "Act", the "Year 2000 Plan" created by sections 104.1003 to 104.1093;

5           (2) "Actuary", an actuary who is experienced in retirement plan financing  
6 and who is either a member of the American Academy of Actuaries or an enrolled  
7 actuary under the Employee Retirement Income Security Act of 1974;

8           (3) "Annuity", annual benefit amounts, paid in equal monthly  
9 installments, from funds provided for in, or authorized by, sections 104.1003 to  
10 104.1093;

11           (4) "Annuity starting date" means the first day of the first month with  
12 respect to which an amount is paid as an annuity pursuant to sections 104.1003  
13 to 104.1093;

14           (5) "Beneficiary", any person or entity entitled to receive an annuity or  
15 other benefit pursuant to sections 104.1003 to 104.1093 based upon the  
16 employment record of another person;

17           (6) "Board of trustees", "board", or "trustees", a governing body or bodies  
18 established for the year 2000 plan pursuant to sections 104.1003 to 104.1093;

19           (7) "Closed plan", a benefit plan created pursuant to this chapter and  
20 administered by a system prior to July 1, 2000. No person first employed on or  
21 after July 1, 2000, shall become a member of the closed plan, but the closed plan  
22 shall continue to function for the benefit of persons covered by and remaining in  
23 the closed plan and their beneficiaries;

24           (8) "Consumer price index", the Consumer Price Index for All Urban

25 Consumers for the United States, or its successor index, as approved by the  
26 board, as such index is defined and officially reported by the United States  
27 Department of Labor, or its successor agency;

28 (9) "Credited service", the total credited service to a member's credit as  
29 provided in sections 104.1003 to 104.1093; **except that in no case shall more**  
30 **than one day of credited service be credited to any member or vested**  
31 **former member for any one calendar day of eligible credit as provided**  
32 **by law;**

33 (10) "Department", any department or agency of the executive, legislative,  
34 or judicial branch of the state of Missouri receiving state appropriations,  
35 including allocated funds from the federal government but not including any body  
36 corporate or politic unless its employees are eligible for retirement coverage from  
37 a system pursuant to this chapter as otherwise provided by law;

38 (11) "Early retirement eligibility", a member's attainment of fifty-seven  
39 years of age and the completion of at least five years of credited service;

40 (12) "Effective date", July 1, 2000;

41 (13) "Employee" shall be any person who is employed by a department and  
42 is paid a salary or wage by a department in a position normally requiring the  
43 performance of duties of not less than one thousand **forty** hours per year,  
44 provided:

45 (a) The term "employee" shall not include any patient or inmate of any  
46 state, charitable, penal or correctional institution, or any person who is employed  
47 by a department in a position that is covered by a state-sponsored defined benefit  
48 retirement plan not created by this chapter;

49 (b) The term "employee" shall be modified as provided by other provisions  
50 of sections 104.1003 to 104.1093;

51 (c) The system shall consider a person who is employed in multiple  
52 positions simultaneously within a single agency to be working in a single position  
53 for purposes of determining whether the person is an employee as defined in this  
54 subdivision;

55 (d) Beginning September 1, 2001, the term "year" as used in this  
56 subdivision shall mean the twelve-month period beginning on the first day of  
57 employment;

58 (e) **The term "employee" shall include any person as defined**  
59 **under paragraph (b) of subdivision (20) of subsection 1 of section**  
60 **104.010 who is first employed on or after July 1, 2000, but prior to**  
61 **August 28, 2007;**



62 (14) "Employer", a department;

63 (15) "Executive director", the executive director employed by a board  
64 established pursuant to the provisions of sections 104.1003 to 104.1093;

65 (16) "Final average pay", the average pay of a member for the thirty-six  
66 full consecutive months of service before termination of employment when the  
67 member's pay was greatest; or if the member was on workers' compensation leave  
68 of absence or a medical leave of absence due to an employee illness, the amount  
69 of pay the member would have received but for such leave of absence as reported  
70 and verified by the employing department; or if the member was employed for  
71 less than thirty-six months, the average monthly pay of a member during the  
72 period for which the member was employed. **The board of each system may**  
73 **promulgate rules for purposes of calculating final average pay and**  
74 **other retirement provisions to accommodate for any state payroll**  
75 **system in which pay is received on a monthly, semimonthly, biweekly,**  
76 **or other basis;**

77 (17) "Fund", a fund of the year 2000 plan established pursuant to sections  
78 104.1003 to 104.1093;

79 (18) "Investment return", or "interest", rates as shall be determined and  
80 prescribed from time to time by a board;

81 (19) "Member", a person who is included in the membership of the system,  
82 as set forth in section 104.1009;

83 (20) "Normal retirement eligibility", a member's attainment of at least  
84 sixty-two years of age and the completion of at least five or more years of credited  
85 service or, the attainment of at least forty-eight years of age with a total of years  
86 of age and years of credited service which is at least eighty or, in the case of a  
87 member of the highway patrol who shall be subject to the mandatory retirement  
88 provisions of section 104.080, the mandatory retirement age and completion of  
89 five years of credited service or, the attainment of at least forty-eight years of age  
90 with a total of years of age and years of credited service which is at least eighty;

91 (21) "Pay" shall include:

92 (a) All salary and wages payable to an employee for personal services  
93 performed for a department; but excluding:

94 a. Any amounts paid after an employee's employment is terminated,  
95 unless the payment is made as a final installment of salary or wages at the same  
96 rate as in effect immediately prior to termination of employment in accordance  
97 with a state payroll system adopted on or after January 1, 2000;

98 b. Any amounts paid upon termination of employment for unused annual

99 leave or unused sick leave;

100 c. Pay in excess of the limitations set forth in Section 401(a)(17) of the  
101 Internal Revenue Code of 1986 as amended and other applicable federal laws or  
102 regulations; [and]

103 d. Any nonrecurring single sum payments; **and**

104 e. **Any amounts for which contributions have not been made in**  
105 **accordance with section 104.1066;**

106 (b) All salary and wages which would have been payable to an employee  
107 on workers' compensation leave of absence during the period the employee is  
108 receiving a weekly workers' compensation benefit, as reported and verified by the  
109 employing department;

110 (c) All salary and wages which would have been payable to an employee  
111 on a medical leave due to employee illness, as reported and verified by the  
112 employing department;

113 (d) For purposes of members of the general assembly, pay shall be the  
114 annual salary provided to each senator and representative pursuant to section  
115 21.140, RSMo, plus any salary adjustment pursuant to section 21.140, RSMo;

116 (22) "Retiree", a person receiving an annuity from the year 2000 plan  
117 based upon the person's employment record;

118 (23) "State", the state of Missouri;

119 (24) "System" or "retirement system", the Missouri state employees'  
120 retirement system or the [transportation department and highway patrol  
121 retirement system] **Missouri department of transportation and highway**  
122 **patrol employees' retirement system**, as the case may be;

123 (25) "Vested former member", a person entitled to receive a deferred  
124 annuity pursuant to section 104.1036;

125 (26) "Year 2000 plan", the benefit plan created by sections 104.1003 to  
126 104.1093.

127 **2. Benefits paid under the provisions of this chapter shall not**  
128 **exceed the limitations of Internal Revenue Code Section 415, the**  
129 **provisions of which are hereby incorporated by**  
130 **reference. Notwithstanding any other law to the contrary, the board of**  
131 **trustees may establish a benefit plan under Section 415(m) of the**  
132 **Internal Revenue Code of 1986, as amended. Such plan shall be created**  
133 **solely for the purposes described in Section 415(m)(3)(A) of the Internal**  
134 **Revenue Code of 1986, as amended. The board of trustees may**  
135 **promulgate regulations necessary to implement the provisions of this**

**136 subsection and to create and administer such benefit plan.**

104.1012. 1. Any new state employee who would have become a member  
2 of the closed plan administered by the transportation department and highway  
3 patrol retirement system except for the creation of the year 2000 plan and  
4 persons covered by the closed plan administered by the highway and  
5 transportation employees' and highway patrol retirement system who elect year  
6 2000 plan coverage as provided in section 104.1015 shall have their year 2000  
7 plan coverage managed by that board.

8 2. Any new state employee who would have become a member of the  
9 closed plan administered by the Missouri state employees' retirement system  
10 except for the creation of the year 2000 plan or persons covered by the closed plan  
11 administered by the Missouri state employees' retirement system who elect year  
12 2000 plan coverage as provided in section 104.1015 shall have their year 2000  
13 plan coverage managed by that board.

14 **3. In the event either board of trustees elects to provide**  
15 **employees, members, or vested former members under either the closed**  
16 **plan or the year 2000 plan with education or advice pertaining to any**  
17 **aspect of retirement planning, the board will not be liable for the**  
18 **retirement or investment decisions made or not made by employees,**  
19 **members, or vested former members so long as the board acts with the**  
20 **same care, skills, prudence, and diligence in the selection and**  
21 **monitoring of providers of education and advice, under the**  
22 **circumstances then prevailing that a prudent person acting in a similar**  
23 **capacity and familiar with those matters would use in the conduct of**  
24 **a similar enterprise with similar aims.**

104.1015. 1. Persons covered by a closed plan on July 1, 2000, shall elect  
2 whether or not to change to year 2000 plan coverage. Any such person who elects  
3 to be covered by the year 2000 plan shall forfeit all rights to receive benefits  
4 under this chapter except as provided under the year 2000 plan and all creditable  
5 service of such person under the closed plan shall be credited under the year 2000  
6 plan. Any such person who elects not to be covered by the year 2000 plan shall  
7 waive all rights to receive benefits under the year 2000 plan. In no event shall  
8 any retroactive annuity be paid to such persons pursuant to sections 104.1003 to  
9 104.1093 except as described in subsection 2 of this section.

10 2. Each retiree of the closed plan on July 1, 2000, shall be furnished by  
11 the appropriate system a written comparison of the retiree's closed plan coverage  
12 and the retiree's potential year 2000 plan coverage. A retiree shall elect whether

13 or not to change to year 2000 plan coverage by making a written election, on a  
14 form furnished by the appropriate board, and providing that form to the system  
15 by no later than twelve months after July 1, 2000, and any retiree who fails to  
16 make such election within such time period shall be deemed to have elected to  
17 remain covered under the closed plan; provided the election must be after the  
18 retiree has received from the appropriate system such written comparison. The  
19 retirement option elected under the year 2000 plan shall be the same as the  
20 retirement option elected under the closed plan, except any retiree who is  
21 receiving one of the options providing for a continuing lifetime annuity to a  
22 surviving spouse under the closed plan may elect to receive an annuity under  
23 option 1 or 2 of section 104.1027, or a life annuity under subsection 2 of section  
24 104.1024, provided the person who was married to the member at the time of  
25 retirement, if any, consents in writing to such election made pursuant to section  
26 104.1024, or to any election described in this section if the person was married  
27 to a member of the Missouri state employees' retirement system. The effective  
28 date of payment of an annuity under the year 2000 plan as provided in this  
29 subsection shall begin on July 1, 2000. No adjustment shall be made to  
30 retirement benefits paid to the retiree prior to July 1, 2000. In order to calculate  
31 a new monthly annuity for retirees electing coverage under the year 2000 plan  
32 pursuant to this subsection, the following calculations shall be made:

33 (1) Except as otherwise provided in this subsection, the retiree's gross  
34 monthly retirement annuity in effect immediately prior to July 1, 2000, shall be  
35 multiplied by the percentage increase in the life annuity formula between the  
36 closed plan and the year 2000 plan. This amount shall be added to the retiree's  
37 gross monthly retirement annuity in effect immediately prior to July 1, 2000, to  
38 arrive at the retiree's new monthly retirement annuity in the year 2000 plan on  
39 July 1, 2000. The age of eligibility and reduction factors applicable to the  
40 retiree's original annuity under the closed plan shall remain the same in the  
41 annuity payable under the year 2000 plan, except as provided in subdivision (2)  
42 of this subsection.

43 (2) If option 1 or 2 pursuant to section 104.1027 is chosen by the retiree  
44 under the year 2000 plan, the new monthly retirement annuity calculated  
45 pursuant to subdivision (1) of this subsection shall be recalculated using the  
46 reduction factors for the option chosen pursuant to section 104.1027.

47 (3) If a temporary annuity is payable pursuant to subsection 4 of section  
48 104.1024 the additional temporary annuity shall be calculated by multiplying the  
49 retiree's credited service by the retiree's final average pay by eight-tenths of one

50 percent.

51 (4) Cost-of-living adjustments paid pursuant to section 104.1045 will  
52 commence on the anniversary of the retiree's annuity starting date coincident  
53 with or next following July 1, 2000.

54 (5) Any retiree or other person described in this section who elects  
55 coverage under the year 2000 plan based on service rendered as a member of the  
56 general assembly or as a statewide elected official shall receive an annuity under  
57 the year 2000 plan calculated pursuant to the provisions of section 104.1084  
58 using the current monthly pay at the time of the election with future COLAs  
59 calculated pursuant to subsection 7 of section 104.1084.

60 3. Each person who is an employee and covered by the closed plan and not  
61 a retiree of the closed plan on July 1, 2000, shall elect whether or not to change  
62 to year 2000 plan coverage prior to the last business day of the month before the  
63 person's annuity starting date, and if such election has not been made within  
64 such time, annuity payments due beginning on and after the month of the  
65 annuity starting date shall be made the month following the receipt by the  
66 appropriate system of such election and any other information required by the  
67 year 2000 plan created by sections 104.1003 to 104.1093; provided, such election  
68 must be after the person has received from the year 2000 plan a written  
69 comparison of the person's closed plan coverage and the person's potential year  
70 2000 plan coverage and the election must be made in writing on a form furnished  
71 by the appropriate board. If such person dies after the annuity starting date but  
72 before making such election and providing such other information, no benefits  
73 shall be paid except as required pursuant to section 104.420 or subsection 2 of  
74 section 104.372 for members of the general assembly.

75 4. Each person who is not an employee and not a retiree and is eligible  
76 for a deferred annuity from the closed plan on July 1, 2000, shall elect whether  
77 or not to change to the year 2000 plan coverage prior to the last business day of  
78 the month before the person's annuity starting date, and if such election has not  
79 been made within such time, annuity payments due beginning on and after the  
80 month of the annuity starting date shall be made the month following the receipt  
81 by the appropriate system of such election and any other information required by  
82 the year 2000 plan created by sections 104.1003 to 104.1093; provided, the  
83 election must be after the person has received from the year 2000 plan a written  
84 comparison of the person's closed plan coverage and the person's potential year  
85 2000 plan coverage and the election must be made in writing on a form furnished  
86 by the appropriate board. If such person dies after the annuity starting date but

87 before making such election and providing such other information, no benefits  
88 shall be paid except as required pursuant to section 104.420 or subsection 2 of  
89 section 104.372 for members of the general assembly.

90         5. Each person who is not an employee and not a retiree and is eligible  
91 for a deferred annuity from the closed plan and returns to covered employment  
92 on or after July 1, 2000, shall be covered under the closed plan; provided, such  
93 person shall elect whether or not to change to the year 2000 plan coverage prior  
94 to the last business day of the month before the person's annuity starting date,  
95 and if such election has not been made within such time, annuity payments due  
96 beginning on and after the month of the annuity starting date shall be made the  
97 month following the receipt by the appropriate system of such election and any  
98 other information required by the year 2000 plan created by sections 104.1003 to  
99 104.1093 and the election must be after the person has received from the year  
100 2000 plan a written comparison of the person's closed plan coverage and the  
101 person's potential year 2000 plan coverage and the election must be made in  
102 writing on a form furnished by the appropriate board. If such person dies after  
103 the annuity starting date but before making such election and providing such  
104 other information, no benefits shall be paid except as required under section  
105 104.420 or subsection 2 of section 104.372 for members of the general assembly.

106         6. Each person who is not an employee and not a retiree and not eligible  
107 for a deferred annuity from the closed plan but has forfeited creditable service  
108 with the closed plan and becomes an employee on or after August 28, 2002, shall  
109 be changed to year 2000 plan coverage and upon receiving credited service  
110 continuously for one year shall receive credited service for all such forfeited  
111 creditable service under the closed plan.

112         7. Each person who was employed as a member of the general assembly  
113 through December 31, 2000, covered under the closed plan, and has served at  
114 least two full biennial assemblies as defined in subdivision (24) of subsection 1  
115 of section 104.010 but who is not eligible for a deferred annuity under the closed  
116 plan shall be eligible to receive benefits under the new plan pursuant to  
117 subdivision (5) of subsection 2 of this section upon meeting the age requirements  
118 under the new plan.

119         8. The retirees and persons described in subsections 2 and 4 of this  
120 section shall be eligible for benefits under those subsections pursuant to  
121 subsection 8 of section 104.610.

122         **9. A member may change a member's plan election made under**  
123 **this section at any time prior to the system mailing or electronically**

**124 transferring the first annuity payment to such member.**

104.1021. 1. The appropriate board shall determine how much credited  
2 service shall be given each member consistent with this section.

3 2. If a member terminates employment and is eligible to receive an  
4 annuity pursuant to the year 2000 plan, or becomes a vested former member at  
5 the time of termination, the member's or former member's unused sick leave as  
6 reported through the financial and human resources system maintained by the  
7 office of administration, or if a department's employees are not paid salaries or  
8 wages through such system, as reported directly by the department, for which the  
9 member has not been paid will be converted to credited service at the time of  
10 application for retirement benefits. The member shall receive one-twelfth of a  
11 year of credited service for each one hundred and sixty-eight hours of such  
12 unused sick leave. The employing department shall not certify unused sick leave  
13 unless such unused sick leave could have been used by the member for sickness  
14 or injury. The rate of accrual of sick leave for purposes of computing years of  
15 service pursuant to this section shall be no greater than ten hours per  
16 month. Such credited service shall not be used in determining the member's  
17 eligibility for retirement or final average pay. Such credited service shall be  
18 added to the credited service in the last position of employment held as a member  
19 of the system.

20 3. If a member is employed in a covered position and simultaneously  
21 employed in one or more other covered or noncovered positions, credited service  
22 shall be determined as if all such employment were in one position, and covered  
23 pay shall be the total of pay for all such positions.

24 4. In calculating any annuity, "credited service" means a period expressed  
25 as whole years and any fraction of a year measured in twelfths that begins on the  
26 date an employee commences employment in a covered position and ends on the  
27 date such employee's membership terminates pursuant to section 104.1018 plus  
28 any additional period for which the employee is credited with service pursuant  
29 to this section.

30 5. A member shall be credited for all military service after membership  
31 commences as required by state and federal law.

32 6. Any member who had active military service in the United States  
33 Army, Air Force, Navy, Marine Corps, Army or Air National Guard, Coast Guard,  
34 or any reserve component thereof prior to last becoming a member, or who is  
35 otherwise ineligible to receive credited service pursuant to subsection 1 or 5 of  
36 this section, and who became a member after the person's discharge from military

37 service under honorable conditions may elect, prior to retirement, to purchase  
38 credited service for all such military service, but not to exceed four years,  
39 provided the person is not receiving and is not eligible to receive retirement  
40 credits or benefits from any other public or private retirement plan, other than  
41 a United States military service retirement system, for the military service to be  
42 purchased along with the submission of appropriate documentation verifying the  
43 member's dates of active service. The purchase shall be effected by the member  
44 paying to the system an amount equal to the state's contributions that would  
45 have been made to the system on the member's behalf had the member been a  
46 member for the period for which the member is electing to purchase credit and  
47 had the member's pay during such period of membership been the same as the  
48 annual pay rate as of the date the member was initially employed as a member,  
49 with the calculations based on the contribution rate in effect on the date of such  
50 member's employment with simple interest calculated from the date of  
51 employment to the date of election pursuant to this subsection. The payment  
52 shall be made over a period of not longer than two years, measured from the date  
53 of election, and with simple interest on the unpaid balance. If a member who  
54 purchased credited service pursuant to this subsection dies prior to retirement,  
55 the surviving spouse may, upon written request, receive a refund of the amount  
56 contributed for such purchase of such credited service, provided the surviving  
57 spouse is not entitled to survivorship benefits payable pursuant to the provisions  
58 of section 104.1030.

59         7. Any member of the Missouri state employees' retirement system shall  
60 receive credited service for the creditable prior service that such employee would  
61 have been entitled to under the closed plan pursuant to section 104.339,  
62 subsections 2, and 6 to 9 of section 104.340, subsection 12 of section 104.342,  
63 section 104.344, subsection 4 of section 104.345, subsection 4 of section 104.372,  
64 section 178.640, RSMo, and section 211.393, RSMo, provided such service has not  
65 been credited under the closed plan.

66         8. Any member who has service in both systems and dies or terminates  
67 employment shall have the member's service in the other system transferred to  
68 the last system that covered such member and any annuity payable to such  
69 member shall be paid by that system. Any such member may elect to transfer  
70 service between systems prior to termination of employment, provided, any  
71 annuity payable to such member shall be paid by the last system that covered  
72 such member prior to the receipt of such annuity.

73         9. In no event shall any person or member receive credited service



74 pursuant to the year 2000 plan if that same service is credited for retirement  
75 benefits under any defined benefit retirement system not created pursuant to this  
76 chapter.

77 10. Any additional credited service as described in subsections 5 to 7 of  
78 this section shall be added to the credited service in the first position of  
79 employment held as a member of the system. Any additional creditable service  
80 received pursuant to section 105.691, RSMo, shall be added to the credited service  
81 in the position of employment held at the time the member completes the  
82 purchase or transfer pursuant to such section.

83 11. A member may not purchase any credited service described in this  
84 section unless the member has met the five-year minimum service requirement  
85 as provided in subdivisions (11) and (20) of **subsection 1 of** section 104.1003, the  
86 **[two] three** full biennial assemblies minimum service requirement as provided  
87 in section 104.1084, or the four-year minimum service requirement as provided  
88 in section 104.1084.

89 12. Absences taken by an employee without compensation for sickness and  
90 injury of the employee of less than twelve months or for leave taken by such  
91 employee without compensation pursuant to the provisions of the Family and  
92 Medical Leave Act of 1993 shall be counted as years of credited service.

104.1024. 1. Any member who terminates employment may retire on or  
2 after attaining normal retirement eligibility by making application in written  
3 form and manner approved by the appropriate board. The written application  
4 shall set forth the annuity starting date which shall not be earlier than the first  
5 day of the second month following the month of the execution and filing of the  
6 member's application for retirement nor later than the first day of the fourth  
7 month following the month of the execution and filing of the member's application  
8 for retirement. **The payment of the annuity shall be made the last**  
9 **working day of each month, providing all documentation required**  
10 **under section 104.1027 for the calculation and payment of the benefits**  
11 **is received by the board.**

12 2. A member's annuity shall be paid in the form of a life annuity, except  
13 as provided in section 104.1027, and shall be an amount for life equal to one and  
14 seven-tenths percent of the final average pay of the member multiplied by the  
15 member's years of credited service.

16 3. The life annuity defined in subsection 2 of this section shall not be less  
17 than a monthly amount equal to fifteen dollars multiplied by the member's full  
18 years of credited service.

19           4. If as of the annuity starting date of a member who has attained normal  
20 retirement eligibility the sum of the member's years of age and years of credited  
21 service equals eighty or more years and if the member's age is at least forty-eight  
22 years but less than sixty-two years, or, in the case of a member of the highway  
23 patrol who shall be subject to the mandatory retirement provision of section  
24 104.080, the mandatory retirement age and completion of five years of credited  
25 service, then in addition to the life annuity described in subsection 2 of this  
26 section, the member shall receive a temporary annuity equal to eight-tenths of  
27 one percent of the member's final average pay multiplied by the member's years  
28 of credited service. The temporary annuity and any cost-of-living adjustments  
29 attributable to the temporary annuity pursuant to section 104.1045 shall  
30 terminate at the end of the calendar month in which the earlier of the following  
31 events occurs: the member's death or the member's attainment of the earliest age  
32 of eligibility for reduced Social Security retirement benefits, **but no later than**  
33 **age sixty-two.**

34           5. The annuity described in subsection 2 of this section for any person  
35 who has credited service not covered by the federal Social Security Act, as  
36 provided in sections 105.300 to 105.445, RSMo, shall be calculated as follows: the  
37 life annuity shall be an amount equal to two and five-tenths percent of the final  
38 average pay of the member multiplied by the number of years of service not  
39 covered by the federal Social Security Act in addition to one and seven-tenths  
40 percent of the final average pay of the member multiplied by the member's years  
41 of credited service covered by the federal Social Security Act.

42           6. Effective July 1, 2002, any member, except an elected official or a  
43 member of the general assembly, who has not been paid retirement benefits and  
44 continues employment for at least two years beyond the date of normal retirement  
45 eligibility, may elect to receive an annuity and lump sum payment or payments,  
46 determined as follows:

47           (1) A retroactive starting date shall be established which shall be a date  
48 selected by the member; provided, however, that the retroactive starting date  
49 selected by the member shall not be a date which is earlier than the date when  
50 a normal annuity would have first been payable. In addition, the retroactive  
51 starting date shall not be more than five years prior to the annuity starting  
52 date. The member's selection of a retroactive starting date shall be done in  
53 twelve-month increments, except this restriction shall not apply when the  
54 member selects the total available time between the retroactive starting date and  
55 the annuity starting date;

56           (2) The prospective annuity payable as of the annuity starting date shall  
57 be determined pursuant to the provisions of this section, with the exception that  
58 it shall be the amount which would have been payable at the annuity starting  
59 date had the member actually retired on the retroactive starting date under the  
60 retirement plan selected by the member. Other than for the lump sum payment  
61 or payments specified in subdivision (3) of this subsection, no other amount shall  
62 be due for the period between the retroactive starting date and the annuity  
63 starting date;

64           (3) The lump sum payable shall be ninety percent of the annuity amounts  
65 which would have been paid to the member from the retroactive starting date to  
66 the annuity starting date had the member actually retired on the retroactive  
67 starting date and received a life annuity. The member shall elect to receive the  
68 lump sum amount either in its entirety at the same time as the initial annuity  
69 payment is made or in three equal annual installments with the first payment  
70 made at the same time as the initial annuity payment;

71           (4) Any annuity payable pursuant to this section that is subject to a  
72 division of benefit order pursuant to section 104.1051 shall be calculated as  
73 follows:

74           (a) Any service of a member between the retroactive starting date and the  
75 annuity starting date shall not be considered credited service except for purposes  
76 of calculating the division of benefit; and

77           (b) The lump sum payment described in subdivision (3) of this section  
78 shall not be subject to any division of benefit order; and

79           (5) For purposes of determining annual benefit increases payable as part  
80 of the lump sum and annuity provided pursuant to this section, the retroactive  
81 starting date shall be considered the member's date of retirement.

104.1027. 1. Prior to the last business day of the month before the  
2 annuity starting date, a member or a vested former member shall elect whether  
3 or not to have such member's or such vested former member's life annuity  
4 reduced, but not any temporary annuity which may be payable, and designate a  
5 beneficiary, as provided by the options set forth in this section; provided that if  
6 such election has not been made within such time, annuity payments due  
7 beginning on and after the month of the annuity starting date shall be made the  
8 month following the receipt by the appropriate system of such election and any  
9 other information required by the year 2000 plan created by sections 104.1003 to  
10 104.1093, and further provided, that if such person dies after the annuity starting  
11 date but before making such election and providing such other information, no

12 benefits shall be paid except as required pursuant to section 104.1030:

13           Option 1. A retiree's life annuity shall be reduced to a certain percent of  
14 the annuity otherwise payable. Such percent shall be ninety percent adjusted as  
15 follows: if the retiree's age on the annuity starting date is younger than sixty-two  
16 years, an increase of three-tenths of one percent for each year the retiree's age is  
17 younger than age sixty-two years[, to a maximum increase of three and six-tenths  
18 percent]; and if the beneficiary's age is younger than the retiree's age on the  
19 annuity starting date, a decrease of three-tenths of one percent for each year of  
20 age difference; and if the retiree's age is younger than the beneficiary's age on the  
21 annuity starting date, an increase of three-tenths of one percent for each year of  
22 age difference; provided, after all adjustments the option 1 percent cannot exceed  
23 ninety-five percent. Upon the retiree's death, fifty percent of the retiree's reduced  
24 annuity shall be paid to such beneficiary who was the retiree's spouse on the  
25 annuity starting date or as otherwise provided by subsection 5 of this section.

26           Option 2. A retiree's life annuity shall be reduced to a certain percent of  
27 the annuity otherwise payable. Such percent shall be eighty-three percent  
28 adjusted as follows: if the retiree's age on the annuity starting date is younger  
29 than sixty-two years, an increase of four-tenths of one percent for each year the  
30 retiree's age is younger than sixty-two years[, to a maximum increase of four and  
31 eight-tenths percent]; and if the beneficiary's age is younger than the retiree's age  
32 on the annuity starting date, a decrease of five-tenths of one percent for each year  
33 of age difference; and if the retiree's age is younger than the beneficiary's age on  
34 the annuity starting date, an increase of five-tenths of one percent for each year  
35 of age difference; provided, after all adjustments the option 2 percent cannot  
36 exceed ninety percent. Upon the retiree's death one hundred percent of the  
37 retiree's reduced annuity shall be paid to such beneficiary who was the retiree's  
38 spouse on the annuity starting date or as otherwise provided by subsection 5 of  
39 this section.

40           Option 3. A retiree's life annuity shall be reduced to ninety-five percent  
41 of the annuity otherwise payable. If the retiree dies before having received one  
42 hundred twenty monthly payments, the reduced annuity shall be continued for  
43 the remainder of the one hundred twenty-month period to the retiree's designated  
44 beneficiary provided that if there is no beneficiary surviving the retiree, the  
45 present value of the remaining annuity payments shall be paid [to the retiree's  
46 estate] **as provided under subsection 3 of section 104.620**. If the  
47 beneficiary survives the retiree but dies before receiving the remainder of such  
48 one hundred twenty monthly payments, the present value of the remaining

49 annuity payments shall be paid [to the beneficiary's estate] **as provided under**  
50 **subsection 3 of section 104.620.**

51       Option 4. A retiree's life annuity shall be reduced to ninety percent of the  
52 annuity otherwise payable. If the retiree dies before having received one hundred  
53 eighty monthly payments, the reduced annuity shall be continued for the  
54 remainder of the one hundred eighty-month period to the retiree's designated  
55 beneficiary provided that if there is no beneficiary surviving the retiree, the  
56 present value of the remaining annuity payments shall be paid [to the retiree's  
57 estate] **as provided under subsection 3 of section 104.620.** If the  
58 beneficiary survives the retiree but dies before receiving the remainder of such  
59 one hundred eighty monthly payments, the present value of the remaining  
60 annuity payments shall be paid [to the beneficiary's estate] **as provided under**  
61 **subsection 3 of section 104.620.**

62       2. If a member is married as of the annuity starting date, the member's  
63 annuity shall be paid under the provisions of either option 1 or option 2 as set  
64 forth in subsection 1 of this section, at the member's choice, with the spouse as  
65 the member's designated beneficiary unless the spouse consents in writing to the  
66 member electing another available form of payment.

67       3. If a member has elected at the annuity starting date option 1 or 2  
68 pursuant to this section and if the member's spouse or eligible former spouse dies  
69 after the annuity starting date but before the member dies, then the member may  
70 cancel the member's election and return to the life annuity form of payment and  
71 annuity amount, effective the first of the month following the date of such  
72 spouse's or eligible former spouse's death. **If a member dies prior to**  
73 **notifying the system of the spouse's death, the benefit will not revert**  
74 **to a life annuity and no retroactive payments shall be made.**

75       4. If a member designates a spouse as a beneficiary pursuant to this  
76 section and subsequently that marriage ends as a result of a dissolution of  
77 marriage, such dissolution shall not affect the option election pursuant to this  
78 section and the former spouse shall continue to be eligible to receive survivor  
79 benefits upon the death of the member.

80       5. Effective July 1, 2000, a member may make an election under option  
81 1 or 2 after the annuity starting date as described in this section if the member  
82 makes such election within one year from the date of marriage or July 1, 2000,  
83 whichever is later, pursuant to any of the following circumstances:

84       (1) The member elected to receive a life annuity and was not eligible to  
85 elect option 1 or 2 on the annuity starting date; or

86           (2) The member's annuity reverted to a normal or early retirement  
87 annuity pursuant to subsection 3 of this section, and the member remarried.

88           6. Effective September 1, 2001, the retirement application of any member  
89 who fails to make an election pursuant to subsection 1 of this section within  
90 ninety days of the annuity starting date contained in such retirement application  
91 shall be nullified. Any member whose retirement application is nullified shall not  
92 receive retirement benefits until the member files a new application for  
93 retirement pursuant to section 104.1024 and makes the election pursuant to  
94 subsection 1 of this section. In no event shall any retroactive retirement benefits  
95 be paid.

96           **7. A member may change a member's election made under this**  
97 **section at any time prior to the system mailing or electronically**  
98 **transferring the first annuity payment to such member.**

          104.1039. If a retiree is employed as an employee by a department, the  
2 retiree shall not receive an annuity payment for any calendar month in which the  
3 retiree is so employed. While reemployed the retiree shall be considered to be a  
4 new employee with no previous credited service [upon subsequent retirement]  
5 **and must accrue credited service continuously for at least one year in**  
6 **order to receive any additional annuity.** Such retiree shall receive an  
7 additional annuity in addition to the original annuity, calculated based only on  
8 the credited service and the pay earned by such retiree during reemployment and  
9 paid in accordance with the annuity option originally elected; provided such  
10 retiree who ceases to receive an annuity pursuant to this section shall not receive  
11 such additional annuity if such retiree is employed by a department in a position  
12 that is covered by a state-sponsored defined benefit retirement plan not created  
13 pursuant to this chapter. The original annuity and any additional annuity shall  
14 be paid commencing as of the end of the first month after the month during which  
15 the retiree's reemployment terminates.

          104.1051. 1. Any annuity provided pursuant to the year 2000 plan is  
2 marital property and a court of competent jurisdiction may divide such annuity  
3 between the parties to any action for dissolution of marriage if at the time of the  
4 dissolution the member has at least five years of credited service pursuant to  
5 sections 104.1003 to 104.1093. A division of benefits order issued pursuant to  
6 this section:

7           (1) Shall not require the applicable retirement system to provide any form  
8 or type of annuity or retirement plan not selected by the member;

9           (2) Shall not require the applicable retirement system to commence

10 payments until the member's annuity starting date;

11 (3) Shall identify the monthly amount to be paid to the former spouse,  
12 which shall be expressed as a percentage and which shall not exceed fifty percent  
13 of the amount of the member's annuity accrued during all or part of the period  
14 of the marriage of the member and former spouse and which shall be based on the  
15 member's vested annuity on the date of the dissolution of marriage or an earlier  
16 date as specified in the order, which amount shall be adjusted proportionately  
17 upon the annuity starting date if the member's annuity is reduced due to the  
18 receipt of an early retirement annuity **or the member's annuity is reduced**  
19 **pursuant to section 104.1027 under an annuity option in which the**  
20 **member named the alternate payee as beneficiary prior to the**  
21 **dissolution of marriage;**

22 (4) Shall not require the payment of an annuity amount to the member  
23 and former spouse which in total exceeds the amount which the member would  
24 have received without regard to the order;

25 (5) Shall provide that any annuity increases, additional years of credited  
26 service, increased final average pay, increased pay pursuant to subsections 2 and  
27 5 of section 104.1084, or other type of increases accrued after the date of the  
28 dissolution of marriage and any temporary annuity received pursuant to  
29 subsection 4 of section 104.1024 shall accrue solely to the benefit of the member;  
30 except that on or after September 1, 2001, any cost-of-living adjustment (COLA)  
31 due after the annuity starting date shall not be considered to be an increase  
32 accrued after the date of termination of marriage and shall be part of the monthly  
33 amount subject to division pursuant to any order issued after September 1, 2001;

34 (6) Shall terminate upon the death of either the member or the former  
35 spouse, whichever occurs first;

36 (7) Shall not create an interest which is assignable or subject to any legal  
37 process;

38 (8) Shall include the name, address, date of birth, and Social Security  
39 number of both the member and the former spouse, and the identity of the  
40 retirement system to which it applies;

41 (9) Shall be consistent with any other division of benefits orders which are  
42 applicable to the same member.

43 2. A system shall provide the court having jurisdiction of a dissolution of  
44 a marriage proceeding or the parties to the proceeding with information necessary  
45 to issue a division of benefits order concerning a member of the system, upon  
46 written request from either the court, the member, or the member's spouse, citing

47 this section and identifying the case number and parties.

48 3. A system shall have the discretionary authority to reject a division of  
49 benefits order for the following reasons:

50 (1) The order does not clearly state the rights of the member and the  
51 former spouse;

52 (2) The order is inconsistent with any law governing the retirement  
53 system.

54 **4. Any member of the closed plan who elected the year 2000 plan**  
55 **pursuant to section 104.1015 and then becomes divorced and subject to**  
56 **a division of benefits order shall have the division of benefits order**  
57 **calculated pursuant to the provisions of the year 2000 plan.**

104.1072. 1. Each board shall provide or contract, or both, for life  
2 insurance benefits for employees covered pursuant to the year 2000 plan as  
3 follows:

4 (1) Employees shall be provided fifteen thousand dollars of life insurance  
5 until December 31, 2000. Effective January 1, 2001, the system shall provide or  
6 contract or both for basic life insurance for employees covered under any  
7 retirement plan administered by the system pursuant to this chapter, persons  
8 covered by sections 287.812 to 287.856, RSMo, for employees who are members  
9 of the judicial retirement system as provided in section 476.590, RSMo, and, at  
10 the election of the state highways and transportation commission, employees who  
11 are members of the highways and transportation employees' and highway patrol  
12 retirement system, in the amount equal to one times annual pay, subject to a  
13 minimum amount of fifteen thousand dollars. The board shall establish by rule  
14 or contract the method for determining the annual rate of pay and any other  
15 terms of such insurance as it deems necessary to implement the requirements  
16 pursuant to this section. Annual rate of pay shall not include overtime or any  
17 other irregular payments as determined by the board. Such life insurance shall  
18 provide for triple indemnity in the event the cause of death is a proximate result  
19 of a personal injury or disease arising out of and in the course of actual  
20 performance of duty as an employee;

21 (2) Any member who terminates employment after reaching normal or  
22 early retirement eligibility and becomes a retiree within sixty days of such  
23 termination shall receive five thousand dollars of life insurance coverage.

24 2. (1) In addition to the life insurance authorized by the provisions of  
25 subsection 1 of this section, any person for whom life insurance is provided or  
26 contracted for pursuant to such subsection may purchase, at the person's own



27 expense and only if monthly voluntary payroll deductions are authorized,  
28 additional life insurance at a cost to be stipulated in a contract with a private  
29 insurance company or as may be required by a system if the board of trustees  
30 determines that the system should provide such insurance itself. The maximum  
31 amount of additional life insurance which may be so purchased prior to January  
32 1, 2004, is that amount which equals six times the amount of the person's annual  
33 rate of pay, subject to any maximum established by a board, except that if such  
34 maximum amount is not evenly divisible by one thousand dollars, then the  
35 maximum amount of additional insurance which may be purchased is the next  
36 higher amount evenly divisible by one thousand dollars. The maximum amount  
37 of additional life insurance which may be so purchased on or after January 1,  
38 2004, is an amount to be stipulated in a contract with a private insurance  
39 company or as may be required by the system if the board of trustees determines  
40 that the system should provide the insurance itself.

41 (2) Any person defined in subdivision (1) of this subsection may retain an  
42 amount not to exceed sixty thousand dollars of life insurance following the date  
43 of his or her retirement if such person becomes a retiree the month following  
44 termination of employment and makes written application for such life insurance  
45 at the same time such person's application is made to the board for retirement  
46 benefits. Such life insurance shall only be provided if such person pays the entire  
47 cost of the insurance, as determined by the board, by allowing voluntary  
48 deductions from the member's annuity.

49 (3) In addition to the life insurance authorized in subdivision (1) of this  
50 subsection, any person for whom life insurance is provided or contracted for  
51 pursuant to this subsection may purchase, at the person's own expense and only  
52 if monthly voluntary payroll deductions are authorized, life insurance covering  
53 the person's children or the person's spouse or both at coverage amounts to be  
54 determined by the board at a cost to be stipulated in a contract with a private  
55 insurer or as may be required by the system if the board of trustees determines  
56 that the system should provide such insurance itself.

57 (4) Effective July 1, 2000, any member who applies and is eligible to  
58 receive an annuity based on the attainment of at least forty-eight years of age  
59 with a total of years of age and years of credited service which is at least eighty  
60 shall be eligible to retain any optional life insurance described in subdivision (1)  
61 of this subsection. The amount of such retained insurance shall not be greater  
62 than the amount in effect during the month prior to termination of  
63 employment. Such insurance may be retained until the member's attainment of

64 the earliest age for eligibility for reduced Social Security retirement benefits **but**  
65 **no later than age sixty-two**, at which time the amount of such insurance that  
66 may be retained shall be that amount permitted pursuant to subdivision (2) of  
67 this subsection.

68 3. The state highways and transportation commission may provide for  
69 insurance benefits to cover medical expenses for members of the highways and  
70 transportation employees' and highway patrol retirement system. The state  
71 highways and transportation commission may provide medical benefits for  
72 dependents of members and for retired members. Contributions by the state  
73 highways and transportation commission to provide the benefits shall be on the  
74 same basis as provided for other state employees pursuant to the provisions of  
75 section 104.515. Except as otherwise provided by law, the cost of benefits for  
76 dependents of members and for retirees and their dependents shall be paid by the  
77 members or retirees. The commission may contract with other persons or entities  
78 including but not limited to third-party administrators, health network providers  
79 and health maintenance organizations for all, or any part of, the benefits provided  
80 for in this section. The commission may require reimbursement of any medical  
81 claims paid by the commission's medical plan for which there was third-party  
82 liability.

83 4. The highways and transportation employees' and highway patrol  
84 retirement system may request the state highways and transportation  
85 commission to provide life insurance benefits as required in subsections 1 and 2  
86 of this section. If the state highways and transportation commission agrees to the  
87 request, the highways and transportation employees' and highway patrol  
88 retirement system shall reimburse the state highways and transportation  
89 commission for any and all costs for life insurance provided pursuant to  
90 subdivision (2) of subsection 1 of this section. The person who is covered  
91 pursuant to subsection 2 of this section shall be solely responsible for the costs  
92 of any additional life insurance. In lieu of the life insurance benefit in  
93 subdivision (2) of subsection 1 of this section, the highways and transportation  
94 employees' and highway patrol retirement system is authorized in its sole  
95 discretion to provide a death benefit of five thousand dollars.

96 5. To the extent that the board enters or has entered into any contract  
97 with any insurer or service organization to provide life insurance provided for  
98 pursuant to this section:

99 (1) The obligation to provide such life insurance shall be primarily that  
100 of the insurer or service organization and secondarily that of the board;

101 (2) Any member who has been denied life insurance benefits by the  
102 insurer or service organization and has exhausted all appeal procedures provided  
103 by the insurer or service organization may appeal such decision by filing a  
104 petition against the insurer or service organization in a court of law in the  
105 member's county of residence; and

106 (3) The board and the system shall not be liable for life insurance benefits  
107 provided by an insurer or service organization pursuant to this section and shall  
108 not be subject to any cause of action with regard to life insurance benefits or the  
109 denial of life insurance benefits by the insurer or service organization unless the  
110 member has obtained judgment against the insurer or service organization for life  
111 insurance benefits and the insurer or service organization is unable to satisfy  
112 that judgment.

104.1087. 1. If a member has credited service with more than one  
2 selected plan at time of separation of covered employment from all selected plans,  
3 then the annuity payable from each selected plan shall be based upon the annuity  
4 program, pay record and service record with that selected plan; provided,  
5 however, that the total of credited service with all selected plans shall be used for  
6 the sole purpose of determining whether or not the member has met the credited  
7 service requirement contained in subdivisions (11) and (20) of **subsection 1 of**  
8 section 104.1003 and subsections 1 and 4 of section 104.1084 for each selected  
9 plan.

10 2. The selected plans cited in this section are:

11 (1) Year 2000 plan - basic provisions;

12 (2) Year 2000 plan - general assembly provisions;

13 (3) Year 2000 plan - statewide elected official provisions.

104.1090. 1. Any member who as described in subdivision (1) of  
2 subsection 1 of section 104.1009 has been employed in a position covered by the  
3 system for at least ten or more years and has received credited service for such  
4 employment in the year 2000 plan shall receive additional credited service for  
5 previous public employment within the state covered by another retirement plan  
6 as defined in section 105.691, RSMo, if all of the following conditions are met:

7 (1) Such member has a vested right to receive a retirement benefit from  
8 the other retirement plan at the time of application pursuant to this section;

9 (2) The other retirement plan transfers to the system an amount equal to  
10 the employee's account balance under a defined contribution plan or the amount  
11 equal to the employee's pension benefit obligation under a defined benefit plan  
12 at the time of transfer to the extent that obligation is funded as of the plan's most

13 recent actuarial valuation, not to exceed one hundred percent, as determined by  
14 the other retirement plan's actuary using the same assumption used in  
15 performing the last regular actuarial valuation of the transferring plan, except  
16 that in no event shall the transferred amount be less than the employee's  
17 accumulated contributions on deposit with the transferring plan;

18 (3) No such credited service remains credited in such other retirement  
19 plan; [and]

20 (4) The member applies for the additional credited service prior to the  
21 members's annuity starting date in manner and form established by the  
22 appropriate board. Such additional credited service shall be added to the credited  
23 service in the first position of employment held as a member of the system; **and**

24 **(5) The other retirement plan enters into an agreement with the**  
25 **system to comply with the provisions of this section.**

26 2. Any member described in subsection 3 of section 104.1015 who elects  
27 to be covered by the year 2000 plan shall be eligible to receive service under the  
28 terms and conditions of subsection 1 of this section.

105.660. The following words and phrases as used in sections 105.660 to  
2 105.685, unless a different meaning is plainly required by the context, shall  
3 mean:

4 (1) "Actuarial valuation", a mathematical process which determines plan  
5 financial condition and plan benefit cost;

6 (2) "Actuary", an actuary (I) who is a member of the American Academy  
7 of Actuaries or who is an enrolled actuary under the Employee Retirement  
8 Income Security Act of 1974 and (ii) who is experienced in retirement plan  
9 financing;

10 (3) **"Board", the governing board or decision-making body of a**  
11 **plan that is authorized by law to administer the plan;**

12 (4) **"Defined benefit plan", a plan providing a definite benefit**  
13 **formula for calculating retirement benefit amounts;**

14 (5) **"Defined contribution plan", a plan in which the contributions**  
15 **are made to an individual retirement account for each employee;**

16 (6) **"Funded ratio", the ratio of the actuarial value of assets over**  
17 **its actuarial accrued liability;**

18 (7) **"Lump sum benefit plan", payment within one taxable year of**  
19 **the entire balance to the participant from a plan;**

20 (8) "Plan", any retirement system established by the state of Missouri or  
21 any political subdivision or instrumentality of the state for the purpose of

22 providing plan benefits for elected or appointed public officials or employees of  
23 the state of Missouri or any political subdivision or instrumentality of the state;

24 [(4)] (9) "Plan benefit", the benefit amount payable from a plan together  
25 with any supplemental payments from public funds;

26 [(5)] (10) "Substantial proposed change", a proposed change in future  
27 plan benefits which would increase or decrease the total contribution percent by  
28 at least one-quarter of one percent of active employee payroll, or would increase  
29 or decrease a plan benefit by five percent or more, or would materially affect the  
30 actuarial soundness of the plan. In testing for such one-quarter of one percent  
31 of payroll contribution increase, the proposed change in plan benefits shall be  
32 added to all actual changes in plan benefits since the last date that an actuarial  
33 valuation was prepared.

105.665. 1. The legislative body or committee thereof which determines  
2 the amount and type of plan benefits to be paid shall, before taking final action  
3 on any substantial proposed change in plan benefits, cause to be prepared a  
4 statement regarding the cost of such change.

5 2. The cost statement shall be prepared by an actuary using the methods  
6 used in preparing the most recent periodic actuarial valuation for the plan and  
7 shall, without limitation by enumeration, include the following:

8 (1) The level normal cost of plan benefits currently in effect, which cost  
9 is expressed as a percent of active employee payroll;

10 (2) The contribution for unfunded accrued liabilities currently payable by  
11 the plan, which cost is expressed as a percent of active employee payroll and shall  
12 be over a period not to exceed [forty] **thirty** years;

13 (3) The total contribution rate expressed as a percent of active employees  
14 payroll, which contribution rate shall be the total of the normal cost percent plus  
15 the contribution percent for unfunded accrued liabilities;

16 (4) A statement as to whether the legislative body is currently paying the  
17 total contribution rate as defined in subdivision (3) of this subsection;

18 (5) The total contribution rate expressed as a percent of active employee  
19 payroll which would be sufficient to adequately fund the proposed change in  
20 benefits;

21 (6) A statement as to whether such additional contributions are mandated  
22 by the proposed change;

23 (7) A statement as to whether or not the proposed change would in any  
24 way impair the ability of the plan to meet the obligations thereof in effect at the  
25 time the proposal is made;

26 (8) All assumptions relied upon to evaluate the present financial condition  
27 of the plan and all assumptions relied upon to evaluate the impact of the  
28 proposed change upon the financial condition of the plan, which shall be those  
29 assumptions used in preparing the most recent periodic actuarial valuation for  
30 the plan, unless the nature of the proposed change is such that alternative  
31 assumptions are clearly warranted, and shall be made and stated with respect to  
32 at least the following:

33 (a) Investment return;

34 (b) Pay increase;

35 (c) Mortality of employees and officials, and other persons who may  
36 receive benefits under the plan;

37 (d) Withdrawal (turnover);

38 (e) Disability;

39 (f) Retirement ages;

40 (g) Change in active employee group size;

41 (9) The actuary shall certify that in the actuary's opinion the assumptions  
42 used for the valuation produce results which, in the aggregate, are reasonable;

43 (10) A description of the actuarial funding method used in preparing the  
44 valuation including a description of the method used and period applied in  
45 amortizing unfunded actuarial accrued liabilities;

46 (11) The increase in the total contribution amount required to adequately  
47 fund the proposed change in benefits, expressed in annual dollars as determined  
48 by multiplying the increase in total contribution rate by the active employee  
49 annual payroll used for this valuation.

105.666. 1. Each plan shall, in conjunction with its staff and  
2 advisors, establish a board member education program, which shall be  
3 in effect on or after January 1, 2008. The curriculum shall include, at  
4 a minimum, education in the areas of duties and responsibilities of  
5 board members as trustees, ethics, governance process and procedures,  
6 pension plan design and administration of benefits, investments  
7 including but not limited to the fiduciary duties as defined under  
8 section 105.688, legal liability and risks associated with the  
9 administration of a plan, sunshine law requirements under chapter 610,  
10 RSMo, actuarial principles and methods related to plan administration,  
11 and the role of staff and consultants in plan administration. Board  
12 members appointed or elected on a board on or after January 1, 2008,  
13 shall complete a board member education program designated to orient

14 new board members in the areas described in this section within ninety  
15 days of becoming a new board member. Board members who have  
16 served one or more years shall attend at least two continuing education  
17 programs each year in the areas described in this section.

18 2. Each plan shall, upon the request of any individual  
19 participant, provide an annual pension benefit statement which shall  
20 be written in a manner calculated to be understood by the average plan  
21 participant and may be delivered in written, electronic, or other  
22 appropriate form to the extent such form is reasonably accessible to  
23 each participant or beneficiary. Such pension benefit statement shall  
24 include, but not be limited to, accrued participant contributions to the  
25 plan, total benefits accrued, date first eligible for a normal retirement  
26 benefit, and projected benefit at normal retirement. Any plan failing  
27 to do so shall submit in writing to the joint committee on public  
28 employee retirement as to why the information may not be provided as  
29 requested.

105.667. 1. Any appointing authority, board member, or  
2 employee shall be prohibited from receiving any gain or profit from  
3 any funds or transaction of the plan, except benefits from interest in  
4 investments common to all members of the plan, if entitled thereto.

5 2. Any appointing authority, board member, or employee  
6 accepting any political contribution, gratuity, or compensation for the  
7 purpose of influencing his or her action with respect to the investment  
8 of the funds of the system shall thereby forfeit his or her office and in  
9 addition thereto be subject to the penalties prescribed for bribery.

10 3. Any trustee, employee, or participant of a plan who pleads  
11 guilty to or is found guilty of a plan-related felony after August 28,  
12 2007, that is determined by a court of law to have been directly  
13 committed in connection with the member's duties as either a trustee,  
14 employee, or participant of a plan shall not be eligible to receive any  
15 retirement benefits from the respective plan.

105.683. Any plan, other than a plan created under sections  
2 169.010 to 169.141, RSMo, or sections 169.600 to 169.715, RSMo, whose  
3 actuary determines that the plan has a funded ratio below sixty percent  
4 and the political subdivision has failed to make one hundred percent  
5 of the actuarially required contribution payment for five successive  
6 plan years with a descending funded ratio for five successive plan

7 years after August 28, 2007, shall be deemed delinquent in the  
8 contribution payment and such delinquency in the contribution  
9 payment shall constitute a first lien on the funds of the political  
10 subdivision, and the board as defined under section 105.660 is  
11 authorized to compel payment by application for a writ of mandamus;  
12 and in addition, such delinquency in the contribution payment shall be  
13 certified by the board to the state treasurer and director of the  
14 department of revenue. Until such delinquency in the contribution  
15 payment, together with regular interest, is satisfied, the state treasurer  
16 and director of the department of revenue shall withhold twenty-five  
17 percent of the certified contribution deficiency from the total moneys  
18 due the political subdivision from the state.

105.684. 1. Notwithstanding any law to the contrary, no plan  
2 shall adopt or implement any additional benefit increase, supplement,  
3 enhancement, lump sum benefit payments to participants, or cost-of-  
4 living adjustment beyond current plan provisions in effect prior to  
5 August 28, 2007, unless the plan's actuary determines that the funded  
6 ratio prior to such adoption or implementation is at least eighty  
7 percent and will not be less than seventy-five percent after such  
8 adoption or implementation.

9 2. The unfunded actuarial accrued liabilities associated with  
10 benefit changes described in this section shall be amortized over a  
11 period not to exceed twenty years for purposes of determining the  
12 contributions associated with the adoption or implementation of any  
13 such benefit increase, supplement, or enhancement.

14 3. Any plan with a funded ratio below sixty percent shall have  
15 the actuary prepare an accelerated contribution schedule based on a  
16 descending amortization period for inclusion in the actuarial valuation.

17 4. Nothing in this section shall apply to any plan established  
18 under chapter 70, RSMo, or chapter 476, RSMo.

105.910. 1. Sections 105.900 to [105.925] **105.927** shall provide for the  
2 establishment of the "Missouri State Public Employees Deferred Compensation  
3 Fund". This fund shall be administered by the Missouri state public employees  
4 deferred compensation commission. The commission shall approve any deferred  
5 compensation agreement entered into by the state [pursuant to] **under** sections  
6 105.900 to [105.925] **105.927** and shall oversee the orderly administration of the  
7 fund in compliance with the subsequent provisions of sections 105.900 to



8 [105.925] **105.927.**

9           2. Such commission shall have five commissioners, including one member  
10 of the Missouri state house of representatives to be selected by the speaker of the  
11 house, one member of the Missouri state senate to be selected by the president  
12 pro tempore of the senate, and three other such commissioners to be appointed  
13 by the governor of the state of Missouri by and with the advice and consent of the  
14 senate. The legislators appointed as commissioners shall serve during their  
15 terms of office in the general assembly. The commissioners appointed by the  
16 governor shall serve a term of three years; except that, of the commissioners first  
17 appointed, one shall be appointed for a term of one year, one shall be appointed  
18 for a term of two years, and one shall be appointed for a term of three years. The  
19 commission shall annually elect a chairman and shall be required to meet not less  
20 than quarterly or at any other such time as called by the chairman or a majority  
21 of the commission.

22           **3. On August 28, 2007, the commission shall transfer**  
23 **administration of the fund to the board of trustees of the Missouri state**  
24 **employees' retirement system. Following such transfer:**

25           **(1) The board shall assume sole control over and shall be**  
26 **authorized to administer the fund beginning on the first day of the**  
27 **month following the month that the commission transfers**  
28 **administration to the board;**

29           **(2) The commission shall provide for the orderly transfer of all**  
30 **records pertaining to the fund, and shall take any other action**  
31 **necessary for the board to assume its duties under section 105.915; and**

32           **(3) The commission shall be dissolved upon such transfer.**

105.915. 1. [Subject to the approval of Missouri state public employees  
2 deferred compensation commission, the office of administration] **The board of**  
3 **trustees of the Missouri state employees' retirement system shall**  
4 **[establish and] administer [a] the deferred compensation [plan] fund for the**  
5 **employees of the state of Missouri that was previously administered by the**  
6 **deferred compensation commission, as established in section 105.910,**  
7 **prior to August 28, 2007. The board shall be vested with the same**  
8 **powers that it has under chapter 104, RSMo, to enable it and its**  
9 **officers, employees, and agents to administer the fund under sections**  
10 **105.900 to 105.927. Two of the commissioners serving on the deferred**  
11 **compensation commission immediately prior to the transfer made to**  
12 **the board under section 105.910 shall serve as ex officio members of the**

13 **board solely to participate in the duties of administering the deferred**  
14 **compensation fund. One such commissioner serving as an ex officio**  
15 **board member shall be a member of the house of representatives**  
16 **selected by the speaker of the house of representatives, and such**  
17 **commissioner's service on the board shall cease on December 31,**  
18 **2009. The other commissioner serving as an ex officio board member**  
19 **shall be the chairman of the deferred compensation commission**  
20 **immediately prior to the transfer made to the board under section**  
21 **105.910, and such commissioner's service on the board shall cease**  
22 **December 31, 2008.**

23       2. Participation in such plan shall be by a specific written agreement  
24 between [such] **state** employees and the state, which shall provide for the  
25 deferral of such [amount] **amounts** of compensation as requested by the  
26 employee **subject to any limitations imposed under federal**  
27 **law.** Participating employees must authorize that such deferrals be made from  
28 their wages for the purpose of participation in such program. **All assets and**  
29 **income of such fund shall be held in trust by the board for the**  
30 **exclusive benefit of participants and their beneficiaries. Assets of such**  
31 **trust may be pooled solely for investment management purposes with**  
32 **assets of the trust established under section 104.320, RSMo.**

33       [2] 3. Notwithstanding any other provision of [this code] **sections**  
34 **105.900 to 105.927,** funds held for the state by the [Missouri public employees  
35 deferred compensation commission pursuant to] **board in accordance with**  
36 written deferred compensation [agreement] **agreements** between the state and  
37 participating employees may be invested[,] in such investments as are deemed  
38 appropriate by the [office of administration and approved by the commission,  
39 including, but not limited to, life insurance or annuity contracts or mutual funds]  
40 **board.** [It is further provided that all such insurance, annuities, mutual funds,  
41 or other such investment products to be offered pursuant to this plan shall have  
42 been reviewed and selected by the commission based on a competitive bidding  
43 process as established by such specifications and considerations as are deemed  
44 appropriate by the commission. Such investments shall not be construed to be  
45 a prohibited use of the general assets of the state] **All administrative costs of**  
46 **the program described in this section, including staffing and overhead**  
47 **expenses, may be paid out of assets of the fund, which may reduce the**  
48 **amount due participants in the fund. Such investments shall not be**  
49 **construed to be a prohibited use of the general assets of the state.**

50           [3] 4. [In no case shall such investment be offered by other than such  
51 persons and companies authorized and duly licensed by the state of Missouri and  
52 applicable federal regulatory agencies to offer such insurance or investment  
53 programs in compliance with all relevant provisions of this code.] **Investments**  
54 **offered under the deferred compensation fund for the employees of the**  
55 **state of Missouri shall be made available at the discretion of the board.**

56           5. **The board and employees of the Missouri state employees'**  
57 **retirement system shall be immune from suit and shall not be subject**  
58 **to any claim or liability associated with any administrative actions or**  
59 **decisions made by the commission with regard to the deferred**  
60 **compensation program prior to the transfer made to the board under**  
61 **section 105.910.**

62           6. **The board and employees of the system shall not be liable for**  
63 **the investment decisions made or not made by participating employees**  
64 **as long as the board acts with the same skill, prudence, and diligence**  
65 **in the selection and monitoring of providers of investment products,**  
66 **education, advice, or any default investment option, under the**  
67 **circumstances then prevailing that a prudent person acting in a similar**  
68 **capacity and familiar with those matters would use in the conduct of**  
69 **a similar enterprise with similar aims.**

70           7. **The system shall be immune from suit and shall not be subject**  
71 **to any claim or liability associated with the administration of the**  
72 **deferred compensation fund by the board and employees of the system.**

          169.010. The following words and phrases, as used in sections 169.010 to  
2 169.130, unless a different meaning is plainly required by the context, shall have  
3 the following meanings:

4           (1) "Accumulated contributions" shall mean the sum of the annual  
5 contributions a member has made to the retirement system through deductions  
6 from the member's salary, plus interest compounded annually on each year's  
7 contributions from the end of the school year during which such contributions  
8 were made;

9           (2) "Board" shall mean the board of trustees provided for in sections  
10 169.010 to 169.130;

11           (3) "Creditable service" shall mean prior service or membership service,  
12 or the sum of the two, if the member has both to the member's credit;

13           (4) "District" shall mean public school, as herein defined;

14           (5) "Employ" shall have a meaning agreeable with that herein given to

15 employer and employee;

16 (6) "Employee" shall be synonymous with the term "teacher" as the same  
17 is herein defined;

18 (7) "Employer" shall mean the district that makes payment directly to the  
19 teacher or employee for such person's services;

20 (8) "Final average salary" shall mean the total compensation payable to  
21 a member for any three consecutive years of creditable service, as elected by the  
22 member, divided by thirty-six; with the proviso that any annual compensation  
23 entering into the total compensation shall not exceed twelve thousand six  
24 hundred dollars for any year prior to July 1, 1967; and with the proviso that the  
25 board may set a maximum percentage of increase in annual compensation from  
26 one year to the next in the final average salary period. **In no instance shall**  
27 **the maximum percentage of increase in annual compensation from one**  
28 **year to the next in the final average salary period exceed ten**  
29 **percent. This limit will not apply to increases due to bonafide changes**  
30 **in position or employer increases required by state statute, or district**  
31 **wide salary schedule adjustments for previously unrecognized**  
32 **education related services;**

33 (9) "Member" shall mean a person who holds membership in the  
34 retirement system;

35 (10) "Membership service" shall mean service rendered by a member of  
36 the retirement system after the system becomes operative, and may include a  
37 period of service in the armed forces of the United States as provided for in  
38 section 169.055;

39 (11) "Prior service" shall mean service rendered by a member of the  
40 retirement system before the system becomes operative, and may include service  
41 rendered by a member of the armed forces if the member was a teacher at the  
42 time the member was inducted, for which credit has been approved by the board  
43 of trustees;

44 (12) "Public school" shall mean any school conducted within the state  
45 under the authority and supervision of a duly elected district or city or town  
46 board of directors or board of education and the board of regents of the several  
47 state teachers' colleges, or state colleges, board of trustees of the public school  
48 retirement system of Missouri, and also the state of Missouri and each county  
49 thereof, to the extent that the state and the several counties are employers of  
50 teachers as herein designated;

51 (13) "Retirement allowance" shall mean a monthly payment for life during

52 retirement;

53 (14) "Retirement system" or "system" shall mean the public school  
54 retirement system of Missouri created by sections 169.010 to 169.130;

55 (15) "Salary", "salary rate" or "compensation" shall mean the regular  
56 remuneration, including any payments made pursuant to sections 168.500 to  
57 168.515, RSMo, which is earned by a member as an employee of a district, but not  
58 including employer-paid fringe benefits except the value of employer-paid medical  
59 benefits (including dental and vision) for members, and not including  
60 employer-paid medical benefits (including dental and vision) for anyone other  
61 than the member, employer contributions to any deferred compensation plan,  
62 consideration for agreeing to terminate employment or other nonrecurring or  
63 unusual payments that are not a part of regular remuneration. The board by its  
64 rules may further define salary, salary rate and compensation in a manner  
65 consistent with this definition and with sections 169.010 to 169.141;

66 (16) "School year" shall mean the year from July first of one year to June  
67 thirtieth of next year, inclusive, which shall also be the fiscal year of the system;

68 (17) "Teacher" shall mean any person who shall be employed by any public  
69 school, on a full-time basis and who shall be duly certificated under the law  
70 governing the certification of teachers; any person employed in the state  
71 department of elementary and secondary education or by the state board of  
72 education on a full-time basis who shall be duly certificated under the law  
73 governing the certification of teachers and who did not become a member of the  
74 Missouri state employees' retirement system pursuant to section 104.342, RSMo;  
75 and persons employed by the board of trustees of the public school retirement  
76 system of Missouri on a full-time basis who shall be duly certified under the law  
77 governing the certification of teachers. The term "teacher" shall be synonymous  
78 with the term "employee" as defined in this section.

169.070. 1. The retirement allowance of a member whose age at  
2 retirement is sixty years or more and whose creditable service is five years or  
3 more, or whose sum of age and creditable service equals eighty years or more, or  
4 who has attained age fifty-five and whose creditable service is twenty-five years  
5 or more or whose creditable service is thirty years or more regardless of age, may  
6 be the sum of the following items, not to exceed one hundred percent of the  
7 member's final average salary:

8 (1) Two and five-tenths percent of the member's final average salary for  
9 each year of membership service;

10 (2) Six-tenths of the amount payable for a year of membership service for

11 each year of prior service not exceeding thirty years.

12 In lieu of the retirement allowance otherwise provided in subdivisions (1) and (2)  
13 of this subsection, a member may elect to receive a retirement allowance of:

14 (3) Between July 1, 1998, and July 1, [2008] **2013**, two and four-tenths  
15 percent of the member's final average salary for each year of membership service,  
16 if the member's creditable service is twenty-nine years or more but less than  
17 thirty years, and the member has not attained age fifty-five;

18 (4) Between July 1, 1998, and July 1, [2008] **2013**, two and  
19 thirty-five-hundredths percent of the member's final average salary for each year  
20 of membership service, if the member's creditable service is twenty-eight years  
21 or more but less than twenty-nine years, and the member has not attained age  
22 fifty-five;

23 (5) Between July 1, 1998, and July 1, [2008] **2013**, two and three-tenths  
24 percent of the member's final average salary for each year of membership service,  
25 if the member's creditable service is twenty-seven years or more but less than  
26 twenty-eight years, and the member has not attained age fifty-five;

27 (6) Between July 1, 1998, and July 1, [2008] **2013**, two and  
28 twenty-five-hundredths percent of the member's final average salary for each year  
29 of membership service, if the member's creditable service is twenty-six years or  
30 more but less than twenty-seven years, and the member has not attained age  
31 fifty-five;

32 (7) Between July 1, 1998, and July 1, [2008] **2013**, two and two-tenths  
33 percent of the member's final average salary for each year of membership service,  
34 if the member's creditable service is twenty-five years or more but less than  
35 twenty-six years, and the member has not attained age fifty-five;

36 (8) Between July 1, 2001, and July 1, [2008] **2013**, two and fifty-five  
37 hundredths percent of the member's final average salary for each year of  
38 membership service, if the member's creditable service is thirty-one years or more  
39 regardless of age.

40 2. In lieu of the retirement allowance provided in subsection 1 of this  
41 section, a member whose age is sixty years or more on September 28, 1975, may  
42 elect to have the member's retirement allowance calculated as a sum of the  
43 following items:

44 (1) Sixty cents plus one and five-tenths percent of the member's final  
45 average salary for each year of membership service;

46 (2) Six-tenths of the amount payable for a year of membership service for  
47 each year of prior service not exceeding thirty years;

48           (3) Three-fourths of one percent of the sum of subdivisions (1) and (2) of  
49   this subsection for each month of attained age in excess of sixty years but not in  
50   excess of age sixty-five.

3. (1) In lieu of the retirement allowance provided either in subsection 1 or 2 of this section, collectively called "option 1", a member whose creditable service is twenty-five years or more or who has attained the age of fifty-five with five or more years of creditable service may elect in the member's application for retirement to receive the actuarial equivalent of the member's retirement allowance in reduced monthly payments for life during retirement with the provision that:

Option 2. Upon the member's death the reduced retirement allowance shall be continued throughout the life of and paid to such person as has an insurable interest in the life of the member as the member shall have nominated in the member's election of the option, and provided further that if the person so nominated dies before the retired member, the retirement allowance will be increased to the amount the retired member would be receiving had the retired member elected option 1;

65 OR

Option 3. Upon the death of the member three-fourths of the reduced retirement allowance shall be continued throughout the life of and paid to such person as has an insurable interest in the life of the member and as the member shall have nominated in an election of the option, and provided further that if the person so nominated dies before the retired member, the retirement allowance will be increased to the amount the retired member would be receiving had the member elected option 1;

73 OR

Option 4. Upon the death of the member one-half of the reduced retirement allowance shall be continued throughout the life of, and paid to, such person as has an insurable interest in the life of the member and as the member shall have nominated in an election of the option, and provided further that if the person so nominated dies before the retired member, the retirement allowance shall be increased to the amount the retired member would be receiving had the member elected option 1;

81 OR

Option 5. Upon the death of the member prior to the member having received one hundred twenty monthly payments of the member's reduced allowance, the remainder of the one hundred twenty monthly payments of the

85 reduced allowance shall be paid to such beneficiary as the member shall have  
86 nominated in the member's election of the option or in a subsequent nomination.  
87 If there is no beneficiary so nominated who survives the member for the  
88 remainder of the one hundred twenty monthly payments, the total of the  
89 remainder of such one hundred twenty monthly payments shall be paid to the  
90 estate of the last person to receive a monthly allowance. If the total of the one  
91 hundred twenty payments paid to the retired individual and the beneficiary of the  
92 retired individual is less than the total of the member's accumulated  
93 contributions, the difference shall be paid to the beneficiary in a lump sum;

94 OR

95 Option 6. Upon the death of the member prior to the member having  
96 received sixty monthly payments of the member's reduced allowance, the  
97 remainder of the sixty monthly payments of the reduced allowance shall be paid  
98 to such beneficiary as the member shall have nominated in the member's election  
99 of the option or in a subsequent nomination. If there is no beneficiary so  
100 nominated who survives the member for the remainder of the sixty monthly  
101 payments, the total of the remainder of such sixty monthly payments shall be  
102 paid to the estate of the last person to receive a monthly allowance. If the total  
103 of the sixty payments paid to the retired individual and the beneficiary of the  
104 retired individual is less than the total of the member's accumulated  
105 contributions, the difference shall be paid to the beneficiary in a lump sum.

106 (2) The election of an option may be made only in the application for  
107 retirement and such application must be filed prior to the date on which the  
108 retirement of the member is to be effective. If either the member or the person  
109 nominated to receive the survivorship payments dies before the effective date of  
110 retirement, the option shall not be effective, provided that:

111 (a) If the member or a person retired on disability retirement dies after  
112 acquiring twenty-five or more years of creditable service or after attaining the age  
113 of fifty-five years and acquiring five or more years of creditable service and before  
114 retirement, except retirement with disability benefits, and the person named by  
115 the member as the member's beneficiary has an insurable interest in the life of  
116 the deceased member, the designated beneficiary may elect to receive either  
117 survivorship benefits under option 2 or a payment of the accumulated  
118 contributions of the member. If survivorship benefits under option 2 are elected  
119 and the member at the time of death would have been eligible to receive an  
120 actuarial equivalent of the member's retirement allowance, the designated  
121 beneficiary may further elect to defer the option 2 payments until the date the



122 member would have been eligible to receive the retirement allowance provided in  
123 subsection 1 or 2 of this section;

124 (b) If the member or a person retired on disability retirement dies before  
125 attaining age fifty-five but after acquiring five but fewer than twenty-five years  
126 of creditable service, and the person named as the member's beneficiary has an  
127 insurable interest in the life of the deceased member, the designated beneficiary  
128 may elect to receive either a payment of the member's accumulated contributions,  
129 or survivorship benefits under option 2 to begin on the date the member would  
130 first have been eligible to receive an actuarial equivalent of the member's  
131 retirement allowance, or to begin on the date the member would first have been  
132 eligible to receive the retirement allowance provided in subsection 1 or 2 of this  
133 section.

134 4. If the total of the retirement or disability allowance paid to an  
135 individual before the death of the individual is less than the accumulated  
136 contributions at the time of retirement, the difference shall be paid to the  
137 beneficiary of the individual, or to the (1) surviving spouse, (2) surviving children  
138 in equal shares, (3) surviving parents in equal shares, or (4) estate of the  
139 individual in that order of precedence. If an optional benefit as provided in  
140 option 2, 3 or 4 in subsection 3 of this section had been elected, and the  
141 beneficiary dies after receiving the optional benefit, and if the total retirement  
142 allowance paid to the retired individual and the beneficiary of the retired  
143 individual is less than the total of the contributions, the difference shall be paid  
144 to the (1) surviving spouse, (2) surviving children in equal shares, (3) surviving  
145 parents in equal shares, or (4) estate of the beneficiary, in that order of  
146 precedence, unless the retired individual designates a different recipient with the  
147 board at or after retirement.

148 5. If a member dies before receiving a retirement allowance, the member's  
149 accumulated contributions at the time of the death of the member shall be paid  
150 to the beneficiary of the member or, if there is no beneficiary, to the (1) surviving  
151 spouse, (2) surviving children in equal shares, (3) surviving parents in equal  
152 shares, or (4) to the estate of the member in that order of precedence; except that,  
153 no such payment shall be made if the beneficiary elects option 2 in subsection 3  
154 of this section, unless the beneficiary dies before having received benefits  
155 pursuant to that subsection equal to the accumulated contributions of the  
156 member, in which case the amount of accumulated contributions in excess of the  
157 total benefits paid pursuant to that subsection shall be paid to the (1) surviving  
158 spouse, (2) surviving children in equal shares, (3) surviving parents in equal

159 shares, or (4) estate of the beneficiary, in that order of precedence.

160           6. If a member ceases to be a public school employee as herein defined  
161 and certifies to the board of trustees that such cessation is permanent, or if the  
162 membership of the person is otherwise terminated, the member shall be paid the  
163 member's accumulated contributions with interest.

164           7. Notwithstanding any provisions of sections 169.010 to 169.141 to the  
165 contrary, if a member ceases to be a public school employee after acquiring five  
166 or more years of membership service in Missouri, the member may at the option  
167 of the member leave the member's contributions with the retirement system and  
168 claim a retirement allowance any time after reaching the minimum age for  
169 voluntary retirement. When the member's claim is presented to the board, the  
170 member shall be granted an allowance as provided in sections 169.010 to 169.141  
171 on the basis of the member's age, years of service, and the provisions of the law  
172 in effect at the time the member requests the member's retirement to become  
173 effective.

174           8. The retirement allowance of a member retired because of disability  
175 shall be nine-tenths of the allowance to which the member's creditable service  
176 would entitle the member if the member's age were sixty, or fifty percent of  
177 one-twelfth of the annual salary rate used in determining the member's  
178 contributions during the last school year for which the member received a year  
179 of creditable service immediately prior to the member's disability, whichever is  
180 greater, except that no such allowance shall exceed the retirement allowance to  
181 which the member would have been entitled upon retirement at age sixty if the  
182 member had continued to teach from the date of disability until age sixty at the  
183 same salary rate.

184           9. Notwithstanding any provisions of sections 169.010 to 169.141 to the  
185 contrary, from October 13, 1961, the contribution rate pursuant to sections  
186 169.010 to 169.141 shall be multiplied by the factor of two-thirds for any member  
187 of the system for whom federal Old Age and Survivors Insurance tax is paid from  
188 state or local tax funds on account of the member's employment entitling the  
189 person to membership in the system. The monetary benefits for a member who  
190 elected not to exercise an option to pay into the system a retroactive contribution  
191 of four percent on that part of the member's annual salary rate which was in  
192 excess of four thousand eight hundred dollars but not in excess of eight thousand  
193 four hundred dollars for each year of employment in a position covered by this  
194 system between July 1, 1957, and July 1, 1961, as provided in subsection 10 of  
195 this section as it appears in RSMo, 1969, shall be the sum of:

196 (1) For years of service prior to July 1, 1946, six-tenths of the full amount  
197 payable for years of membership service;

198 (2) For years of membership service after July 1, 1946, in which the full  
199 contribution rate was paid, full benefits under the formula in effect at the time  
200 of the member's retirement;

201 (3) For years of membership service after July 1, 1957, and prior to July  
202 1, 1961, the benefits provided in this section as it appears in RSMo, 1959; except  
203 that if the member has at least thirty years of creditable service at retirement the  
204 member shall receive the benefit payable pursuant to that section as though the  
205 member's age were sixty-five at retirement;

206 (4) For years of membership service after July 1, 1961, in which the  
207 two-thirds contribution rate was paid, two-thirds of the benefits under the  
208 formula in effect at the time of the member's retirement.

209 10. The monetary benefits for each other member for whom federal Old  
210 Age and Survivors Insurance tax is or was paid at any time from state or local  
211 funds on account of the member's employment entitling the member to  
212 membership in the system shall be the sum of:

213 (1) For years of service prior to July 1, 1946, six-tenths of the full amount  
214 payable for years of membership service;

215 (2) For years of membership service after July 1, 1946, in which the full  
216 contribution rate was paid, full benefits under the formula in effect at the time  
217 of the member's retirement;

218 (3) For years of membership service after July 1, 1957, in which the  
219 two-thirds contribution rate was paid, two-thirds of the benefits under the  
220 formula in effect at the time of the member's retirement.

221 11. Any retired member of the system who was retired prior to September  
222 1, 1972, or beneficiary receiving payments under option 1 or option 2 of  
223 subsection 3 of this section, as such option existed prior to September 1, 1972,  
224 will be eligible to receive an increase in the retirement allowance of the member  
225 of two percent for each year, or major fraction of more than one-half of a year,  
226 which the retired member has been retired prior to July 1, 1975. This increased  
227 amount shall be payable commencing with January, 1976, and shall thereafter  
228 be referred to as the member's retirement allowance. The increase provided for  
229 in this subsection shall not affect the retired member's eligibility for  
230 compensation provided for in section 169.580 or 169.585, nor shall the amount  
231 being paid pursuant to these sections be reduced because of any increases  
232 provided for in this section.

233           12. If the board of trustees determines that the cost of living, as measured  
234 by generally accepted standards, increases two percent or more in the preceding  
235 fiscal year, the board shall increase the retirement allowances which the retired  
236 members or beneficiaries are receiving by two percent of the amount being  
237 received by the retired member or the beneficiary at the time the annual increase  
238 is granted by the board with the provision that the increases provided for in this  
239 subsection shall not become effective until the fourth January first following the  
240 member's retirement or January 1, 1977, whichever later occurs, or in the case  
241 of any member retiring on or after July 1, 2000, the increase provided for in this  
242 subsection shall not become effective until the third January first following the  
243 member's retirement, or in the case of any member retiring on or after July 1,  
244 2001, the increase provided for in this subsection shall not become effective until  
245 the second January first following the member's retirement. Commencing with  
246 January 1, 1992, if the board of trustees determines that the cost of living has  
247 increased five percent or more in the preceding fiscal year, the board shall  
248 increase the retirement allowances by five percent. The total of the increases  
249 granted to a retired member or the beneficiary after December 31, 1976, may not  
250 exceed eighty percent of the retirement allowance established at retirement or as  
251 previously adjusted by other subsections. If the cost of living increases less than  
252 five percent, the board of trustees may determine the percentage of increase to  
253 be made in retirement allowances, but at no time can the increase exceed five  
254 percent per year. If the cost of living decreases in a fiscal year, there will be no  
255 increase in allowances for retired members on the following January first.

256           13. The board of trustees may reduce the amounts which have been  
257 granted as increases to a member pursuant to subsection 12 of this section if the  
258 cost of living, as determined by the board and as measured by generally accepted  
259 standards, is less than the cost of living was at the time of the first increase  
260 granted to the member; except that, the reductions shall not exceed the amount  
261 of increases which have been made to the member's allowance after December 31,  
262 1976.

263           14. Any application for retirement shall include a sworn statement by the  
264 member certifying that the spouse of the member at the time the application was  
265 completed was aware of the application and the plan of retirement elected in the  
266 application.

267           15. Notwithstanding any other provision of law, any person retired prior  
268 to September 28, 1983, who is receiving a reduced retirement allowance under  
269 option 1 or option 2 of subsection 3 of this section, as such option existed prior to

270 September 28, 1983, and whose beneficiary nominated to receive continued  
271 retirement allowance payments under the elected option dies or has died, shall  
272 upon application to the board of trustees have his or her retirement allowance  
273 increased to the amount he or she would have been receiving had the option not  
274 been elected, actuarially adjusted to recognize any excessive benefits which would  
275 have been paid to him or her up to the time of application.

276 16. Benefits paid pursuant to the provisions of the public school  
277 retirement system of Missouri shall not exceed the limitations of Section 415 of  
278 Title 26 of the United States Code except as provided pursuant to this  
279 subsection. Notwithstanding any other law to the contrary, the board of trustees  
280 may establish a benefit plan pursuant to Section 415(m) of Title 26 of the United  
281 States Code. Such plan shall be created solely for the purpose described in  
282 Section 415(m)(3)(A) of Title 26 of the United States Code. The board of trustees  
283 may promulgate regulations necessary to implement the provisions of this  
284 subsection and to create and administer such benefit plan.

285 17. Notwithstanding any other provision of law to the contrary, any  
286 person retired before, on, or after May 26, 1994, shall be made, constituted,  
287 appointed and employed by the board as a special consultant on the matters of  
288 education, retirement and aging, and upon request shall give written or oral  
289 opinions to the board in response to such requests. As compensation for such  
290 duties the person shall receive an amount based on the person's years of service  
291 so that the total amount received pursuant to sections 169.010 to 169.141 shall  
292 be at least the minimum amounts specified in subdivisions (1) to (4) of this  
293 subsection. In determining the minimum amount to be received, the amounts in  
294 subdivisions (3) and (4) of this subsection shall be adjusted in accordance with the  
295 actuarial adjustment, if any, that was applied to the person's retirement  
296 allowance. In determining the minimum amount to be received, beginning  
297 September 1, 1996, the amounts in subdivisions (1) and (2) of this subsection  
298 shall be adjusted in accordance with the actuarial adjustment, if any, that was  
299 applied to the person's retirement allowance due to election of an optional form  
300 of retirement having a continued monthly payment after the person's  
301 death. Notwithstanding any other provision of law to the contrary, no person  
302 retired before, on, or after May 26, 1994, and no beneficiary of such a person,  
303 shall receive a retirement benefit pursuant to sections 169.010 to 169.141 based  
304 on the person's years of service less than the following amounts:

- 305 (1) Thirty or more years of service, one thousand two hundred dollars;  
306 (2) At least twenty-five years but less than thirty years, one thousand

307 dollars;

308 (3) At least twenty years but less than twenty-five years, eight hundred  
309 dollars;

310 (4) At least fifteen years but less than twenty years, six hundred dollars.

311 18. Notwithstanding any other provisions of law to the contrary, any  
312 person retired prior to May 26, 1994, and any designated beneficiary of such a  
313 retired member who was deceased prior to July 1, 1999, shall be made,  
314 constituted, appointed and employed by the board as a special consultant on the  
315 matters of education, retirement or aging and upon request shall give written or  
316 oral opinions to the board in response to such requests. Beginning September 1,  
317 1996, as compensation for such service, the member shall have added, pursuant  
318 to this subsection, to the member's monthly annuity as provided by this section  
319 a dollar amount equal to the lesser of sixty dollars or the product of two dollars  
320 multiplied by the member's number of years of creditable service. Beginning  
321 September 1, 1999, the designated beneficiary of the deceased member shall as  
322 compensation for such service have added, pursuant to this subsection, to the  
323 monthly annuity as provided by this section a dollar amount equal to the lesser  
324 of sixty dollars or the product of two dollars multiplied by the member's number  
325 of years of creditable service. The total compensation provided by this section  
326 including the compensation provided by this subsection shall be used in  
327 calculating any future cost-of-living adjustments provided by subsection 12 of this  
328 section.

329 19. Any member who has retired prior to July 1, 1998, and the designated  
330 beneficiary of a deceased retired member shall be made, constituted, appointed  
331 and employed by the board as a special consultant on the matters of education,  
332 retirement and aging, and upon request shall give written or oral opinions to the  
333 board in response to such requests. As compensation for such duties the person  
334 shall receive a payment equivalent to eight and seven-tenths percent of the  
335 previous month's benefit, which shall be added to the member's or beneficiary's  
336 monthly annuity and which shall not be subject to the provisions of subsections  
337 12 and 13 of this section for the purposes of the limit on the total amount of  
338 increases which may be received.

339 20. Any member who has retired shall be made, constituted, appointed  
340 and employed by the board as a special consultant on the matters of education,  
341 retirement and aging, and upon request shall give written or oral opinions to the  
342 board in response to such request. As compensation for such duties, the  
343 beneficiary of the retired member, or, if there is no beneficiary, the (1) surviving

344 spouse, (2) surviving children in equal shares, (3) surviving parents in equal  
345 shares, or (4) estate of the retired member, in that order of precedence, shall  
346 receive as a part of compensation for these duties a death benefit of five thousand  
347 dollars.

348         21. Any member who has retired prior to July 1, 1999, and the designated  
349 beneficiary of a retired member who was deceased prior to July 1, 1999, shall be  
350 made, constituted, appointed and employed by the board as a special consultant  
351 on the matters of education, retirement and aging, and upon request shall give  
352 written or oral opinions to the board in response to such requests. As  
353 compensation for such duties, the person shall have added, pursuant to this  
354 subsection, to the monthly annuity as provided by this section a dollar amount  
355 equal to five dollars times the member's number of years of creditable service.

356         22. Any member who has retired prior to July 1, 2000, and the designated  
357 beneficiary of a deceased retired member shall be made, constituted, appointed  
358 and employed by the board as a special consultant on the matters of education,  
359 retirement and aging, and upon request shall give written or oral opinions to the  
360 board in response to such requests. As compensation for such duties, the person  
361 shall receive a payment equivalent to three and five-tenths percent of the  
362 previous month's benefit, which shall be added to the member or beneficiary's  
363 monthly annuity and which shall not be subject to the provisions of subsections  
364 12 and 13 of this section for the purposes of the limit on the total amount of  
365 increases which may be received.

366         23. Any member who has retired prior to July 1, 2001, and the designated  
367 beneficiary of a deceased retired member shall be made, constituted, appointed  
368 and employed by the board as a special consultant on the matters of education,  
369 retirement and aging, and upon request shall give written or oral opinions to the  
370 board in response to such requests. As compensation for such duties, the person  
371 shall receive a dollar amount equal to three dollars times the member's number  
372 of years of creditable service, which shall be added to the member's or  
373 beneficiary's monthly annuity and which shall not be subject to the provisions of  
374 subsections 12 and 13 of this section for the purposes of the limit on the total  
375 amount of increases which may be received.

169.466. 1. Any retired member with fifteen or more years of creditable  
2 service at retirement receiving [a pension] **retirement benefits** on August 28,  
3 1997, shall receive on January first of each year, commencing on January 1, 1998,  
4 an increase in the amount of [pension] **benefits** received by the retired member  
5 pursuant to sections 169.410 to 169.540 during the preceding year of one hundred

6 percent of the increase in the consumer price index calculated in the manner  
7 provided in this section; except that, no such increase in [pension] **retirement**  
8 benefits shall be paid for any year if such increase in the consumer price index  
9 is less than one percent. Such annual [pension] **retirement benefit** increase,  
10 however, shall not exceed three percent [and the total increases in the amount  
11 of pension benefits received by any retired member shall not, in the aggregate,  
12 exceed ten percent of the pension benefits such retired member received during  
13 the year preceding January first of the first year the retired member is entitled  
14 to receive an increase pursuant to this section]. A retired member qualified to  
15 receive an annual [pension] **retirement benefit** increase pursuant to this  
16 section shall not be eligible to receive an additional benefit until the January first  
17 after the first anniversary of the date on which he or she commenced receiving  
18 [a pension] **retirement benefits** pursuant to sections 169.410 to  
19 169.540. Benefits shall not be decreased in the case of a decrease in the  
20 consumer price index for any year.

21 2. For the purpose of this section, any increase in the consumer price  
22 index shall be determined by the board of trustees in November of each year  
23 based on the consumer price index for the twelve-month period ended on  
24 September thirtieth of such year over the consumer price index for the  
25 twelve-month period ended on September thirtieth of the year immediately prior  
26 thereto. Any increase so determined shall be applied by the board of trustees in  
27 calculating increases in [pension] **retirement** benefits that become payable  
28 pursuant to this section for the twelve-month period beginning on the January  
29 first immediately following such determination.

30 3. An annual increase in [pension] **retirement** benefits, if any, shall be  
31 payable monthly with monthly installments of other [pension] **retirement**  
32 benefits pursuant to sections 169.410 to 169.540.

169.471. 1. The board of education is authorized from time to time, in its  
2 discretion, to increase the [pension] **retirement** benefits now or hereafter  
3 provided pursuant to sections 169.410 to 169.540 and to adopt and implement  
4 additional [pension] **retirement** benefits and plans, including without limitation,  
5 early retirement plans, deferred retirement option plans and cost-of-living  
6 adjustments, but excluding compensation to retired members pursuant to section  
7 169.475, and for such purpose the contribution rate of members of the retirement  
8 system may be increased to provide part of the cost thereof, subject to the  
9 following conditions:

10 (1) Any such increase in [pension] **retirement** benefits and additional



11 **[pension] retirement** benefits and plans shall be approved by the board of  
12 trustees;

13 (2) The board of trustees shall have presented to the board of education  
14 the projected increases in rates of contribution which will be required to be made  
15 by members and the board of education to the retirement system to pay the cost  
16 of such increases in **[pension] retirement** benefits and additional **[pension]**  
17 **retirement** benefits and plans; and

18 (3) Any increase in the contribution rate of members of the retirement  
19 system shall be approved by the board of trustees and shall be deducted from the  
20 compensation of each member by the employing board and transferred and  
21 credited to the individual account of each member from whose compensation the  
22 deduction was made, and shall be administered in accordance with sections  
23 169.410 to 169.540; provided that, any such increase in the members' contribution  
24 rate shall not exceed one-half of one percent of compensation in any year for such  
25 increases to **[pension] retirement** benefits and additional **[pension] retirement**  
26 benefits and plans adopted during such year by the board of education pursuant  
27 to this section, and all such increases in the members' contribution rate shall, in  
28 the aggregate, not exceed two percent of compensation.

29 **2. The board of trustees is authorized from time to time, in its**  
30 **discretion, to increase the retirement benefits, now or hereinafter**  
31 **provided under sections 169.410 to 169.540, and to adopt and implement**  
32 **additional retirement benefits for persons who have retired, including**  
33 **cost-of-living adjustments, provided that the board of trustees finds the**  
34 **additional benefit will not require an increase in the contribution rate**  
35 **required by the members, will not increase the contribution required**  
36 **from the board of education, and is actuarially sound. In the event the**  
37 **board of trustees authorizes an increase under this section, it shall**  
38 **certify in writing to the board of education the findings, including but**  
39 **not limited to all actuarial assumptions, upon which the board of**  
40 **trustees determined that the increase in benefits would result in no**  
41 **increase in contributions by members or the board of education.**

169.670. 1. The retirement allowance of a member whose age at  
2 retirement is sixty years or more and whose creditable service is five years or  
3 more, or whose sum of age and creditable service equals eighty years or more, or  
4 whose creditable service is thirty years or more regardless of age, shall be the  
5 sum of the following items:

6 (1) For each year of membership service, one and sixty-one hundredths

7 percent of the member's final average salary;

8 (2) Six-tenths of the amount payable for a year of membership service for  
9 each year of prior service;

10 (3) Eighty-five one-hundredths of one percent of any amount by which the  
11 member's average compensation for services rendered prior to July 1, 1973,  
12 exceeds the average monthly compensation on which federal Social Security taxes  
13 were paid during the period over which such average compensation was  
14 computed, for each year of membership service credit for services rendered prior  
15 to July 1, 1973, plus six-tenths of the amount payable for a year of membership  
16 service for each year of prior service credit;

17 (4) In lieu of the retirement allowance otherwise provided by subdivisions  
18 (1) to (3) of this subsection, between July 1, 2001, and July 1, [2008] **2013**, a  
19 member may elect to receive a retirement allowance of:

20 (a) One and fifty-nine hundredths percent of the member's final average  
21 salary for each year of membership service, if the member's creditable service is  
22 twenty-nine years or more but less than thirty years and the member has not  
23 attained the age of fifty-five;

24 (b) One and fifty-seven hundredths percent of the member's final average  
25 salary for each year of membership service, if the member's creditable service is  
26 twenty-eight years or more but less than twenty-nine years, and the member has  
27 not attained the age of fifty-five;

28 (c) One and fifty-five hundredths percent of the member's final average  
29 salary for each year of membership service, if the member's creditable service is  
30 twenty-seven years or more but less than twenty-eight years and the member has  
31 not attained the age of fifty-five;

32 (d) One and fifty-three hundredths percent of the member's final average  
33 salary for each year of membership service, if the member's creditable service is  
34 twenty-six years or more but less than twenty-seven years and the member has  
35 not attained the age of fifty-five;

36 (e) One and fifty-one hundredths percent of the member's final average  
37 salary for each year of membership service, if the member's creditable service is  
38 twenty-five years or more but less than twenty-six years and the member has not  
39 attained the age of fifty-five; and

40 (5) In addition to the retirement allowance provided in subdivisions (1)  
41 to (3) of this subsection, a member retiring on or after July 1, 2001, whose  
42 creditable service is thirty years or more or whose sum of age and creditable  
43 service is eighty years or more, shall receive a temporary retirement allowance

44 equivalent to eight-tenths of one percent of the member's final average salary  
45 multiplied by the member's years of service until such time as the member  
46 reaches the minimum age for Social Security retirement benefits.

47         2. If the board of trustees determines that the cost of living, as measured  
48 by generally accepted standards, increases five percent or more in the preceding  
49 fiscal year, the board shall increase the retirement allowances which the retired  
50 members or beneficiaries are receiving by five percent of the amount being  
51 received by the retired member or the beneficiary at the time the annual increase  
52 is granted by the board; provided that, the increase provided in this subsection  
53 shall not become effective until the fourth January first following a member's  
54 retirement or January 1, 1982, whichever occurs later, and the total of the  
55 increases granted to a retired member or the beneficiary after December 31, 1981,  
56 may not exceed eighty percent of the retirement allowance established at  
57 retirement or as previously adjusted by other provisions of law. If the cost of  
58 living increases less than five percent, the board of trustees may determine the  
59 percentage of increase to be made in retirement allowances, but at no time can  
60 the increase exceed five percent per year. If the cost of living decreases in a fiscal  
61 year, there will be no increase in allowances for retired members on the following  
62 January first.

63         3. The board of trustees may reduce the amounts which have been granted  
64 as increases to a member pursuant to subsection 2 of this section if the cost of  
65 living, as determined by the board and as measured by generally accepted  
66 standards, is less than the cost of living was at the time of the first increase  
67 granted to the member; provided that, the reductions shall not exceed the amount  
68 of increases which have been made to the member's allowance after December 31,  
69 1981.

70         4. (1) In lieu of the retirement allowance provided in subsection 1 of this  
71 section, called "option 1", a member whose creditable service is twenty-five years  
72 or more or who has attained age fifty-five with five or more years of creditable  
73 service may elect, in the application for retirement, to receive the actuarial  
74 equivalent of the member's retirement allowance in reduced monthly payments  
75 for life during retirement with the provision that:

76         Option 2. Upon the member's death, the reduced retirement allowance  
77 shall be continued throughout the life of and paid to such person as has an  
78 insurable interest in the life of the member as the member shall have nominated  
79 in the member's election of the option, and provided further that if the person so  
80 nominated dies before the retired member, the retirement allowance will be

81 increased to the amount the retired member would be receiving had the member  
82 elected option 1;

83 OR

84 Option 3. Upon the death of the member three-fourths of the reduced  
85 retirement allowance shall be continued throughout the life of and paid to such  
86 person as has an insurable interest in the life of the member and as the member  
87 shall have nominated in an election of the option, and provided further that if the  
88 person so nominated dies before the retired member, the retirement allowance  
89 will be increased to the amount the retired member would be receiving had the  
90 member elected option 1;

91 OR

92 Option 4. Upon the death of the member one-half of the reduced  
93 retirement allowance shall be continued throughout the life of, and paid to, such  
94 person as has an insurable interest in the life of the member and as the member  
95 shall have nominated in an election of the option, and provided further that if the  
96 person so nominated dies before the retired member, the retirement allowance  
97 shall be increased to the amount the retired member would be receiving had the  
98 member elected option 1;

99 OR

100 Option 5. Upon the death of the member prior to the member having  
101 received one hundred twenty monthly payments of the member's reduced  
102 allowance, the remainder of the one hundred twenty monthly payments of the  
103 reduced allowance shall be paid to such beneficiary as the member shall have  
104 nominated in the member's election of the option or in a subsequent nomination.  
105 If there is no beneficiary so nominated who survives the member for the  
106 remainder of the one hundred twenty monthly payments, the reserve for the  
107 remainder of such one hundred twenty monthly payments shall be paid to the  
108 estate of the last person to receive a monthly allowance. If the total of the one  
109 hundred twenty payments paid to the retired individual and the beneficiary of the  
110 retired individual is less than the total of the member's accumulated  
111 contributions, the difference shall be paid to the beneficiary in a lump sum;

112 OR

113 Option 6. Upon the death of the member prior to the member having  
114 received sixty monthly payments of the member's reduced allowance, the  
115 remainder of the sixty monthly payments of the reduced allowance shall be paid  
116 to such beneficiary as the member shall have nominated in the member's election  
117 of the option or in a subsequent nomination. If there is no beneficiary so

118 nominated who survives the member for the remainder of the sixty monthly  
119 payments, the reserve for the remainder of such sixty monthly payments shall be  
120 paid to the estate of the last person to receive a monthly allowance. If the total  
121 of the sixty payments paid to the retired individual and the beneficiary of the  
122 retired individual is less than the total of the member's accumulated  
123 contributions, the difference shall be paid to the beneficiary in a lump sum;

124 OR

125 Option 7. A plan of variable monthly benefit payments which provides, in  
126 conjunction with the member's retirement benefits under the federal Social  
127 Security laws, level or near-level retirement benefit payments to the member for  
128 life during retirement, and if authorized, to an appropriate beneficiary designated  
129 by the member. Such a plan shall be actuarially equivalent to the retirement  
130 allowance under option 1 and shall be available for election only if established by  
131 the board of trustees under duly adopted rules.

132 (2) The election of an option may be made only in the application for  
133 retirement and such application must be filed prior to the date on which the  
134 retirement of the member is to be effective. If either the member or the person  
135 nominated dies before the effective date of retirement, the option shall not be  
136 effective, provided that:

137 (a) If the member or a person retired on disability retirement dies after  
138 attaining age fifty-five and acquiring five or more years of creditable service or  
139 after acquiring twenty-five or more years of creditable service and before  
140 retirement, except retirement with disability benefits, and the person named by  
141 the member as the member's beneficiary has an insurable interest in the life of  
142 the deceased member, the designated beneficiary may elect to receive either  
143 survivorship payments under option 2 or a payment of the member's accumulated  
144 contributions. If survivorship benefits under option 2 are elected and the member  
145 at the time of death would have been eligible to receive an actuarial equivalent  
146 of the member's retirement allowance, the designated beneficiary may further  
147 elect to defer the option 2 payments until the date the member would have been  
148 eligible to receive the retirement allowance provided in subsection 1 of this  
149 section.

150 (b) If the member or a person retired on disability retirement dies before  
151 attaining age fifty-five but after acquiring five but fewer than twenty-five years  
152 of creditable service, and the person named as the beneficiary has an insurable  
153 interest in the life of the deceased member or disability retiree, the designated  
154 beneficiary may elect to receive either a payment of the person's accumulated

155 contributions, or survivorship benefits under option 2 to begin on the date the  
156 member would first have been eligible to receive an actuarial equivalent of the  
157 person's retirement allowance, or to begin on the date the member would first  
158 have been eligible to receive the retirement allowance provided in subsection 1  
159 of this section.

160           5. If the total of the retirement or disability allowances paid to an  
161 individual before the person's death is less than the person's accumulated  
162 contributions at the time of the person's retirement, the difference shall be paid  
163 to the person's beneficiary or, if there is no beneficiary, to the (1) surviving  
164 spouse, (2) surviving children in equal shares, (3) surviving parents in equal  
165 shares, or (4) person's estate in that order of precedence; provided, however, that  
166 if an optional benefit, as provided in option 2, 3 or 4 in subsection 4, had been  
167 elected and the beneficiary dies after receiving the optional benefit, then, if the  
168 total retirement allowances paid to the retired individual and the individual's  
169 beneficiary are less than the total of the contributions, the difference shall be  
170 paid to the (1) surviving spouse, (2) surviving children in equal shares, (3)  
171 surviving parents in equal shares, or (4) estate of the beneficiary, in that order  
172 of precedence, unless the retired individual designates a different recipient with  
173 the board at or after retirement.

174           6. If a member dies before receiving a retirement allowance, the member's  
175 accumulated contributions at the time of the member's death shall be paid to the  
176 member's beneficiary or, if there is no beneficiary, to the (1) surviving spouse, (2)  
177 surviving children in equal shares, (3) surviving parents in equal shares, or (4)  
178 to the member's estate; provided, however, that no such payment shall be made  
179 if the beneficiary elects option 2 in subsection 4 of this section, unless the  
180 beneficiary dies before having received benefits pursuant to that subsection equal  
181 to the accumulated contributions of the member, in which case the amount of  
182 accumulated contributions in excess of the total benefits paid pursuant to that  
183 subsection shall be paid to the (1) surviving spouse, (2) surviving children in  
184 equal shares, (3) surviving parents in equal shares, or (4) estate of the  
185 beneficiary, in that order of precedence.

186           7. If a member ceases to be an employee as defined in section 169.600 and  
187 certifies to the board of trustees that such cessation is permanent or if the  
188 person's membership is otherwise terminated, the person shall be paid the  
189 person's accumulated contributions with interest.

190           8. Notwithstanding any provisions of sections 169.600 to 169.715 to the  
191 contrary, if a member ceases to be an employee as defined in section 169.600 after

192 acquiring five or more years of creditable service, the member may, at the option  
193 of the member, leave the member's contributions with the retirement system and  
194 claim a retirement allowance any time after the member reaches the minimum  
195 age for voluntary retirement. When the member's claim is presented to the  
196 board, the member shall be granted an allowance as provided in sections 169.600  
197 to 169.715 on the basis of the member's age and years of service.

198 9. The retirement allowance of a member retired because of disability  
199 shall be nine-tenths of the allowance to which the member's creditable service  
200 would entitle the member if the member's age were sixty.

201 10. Notwithstanding any provisions of sections 169.600 to 169.715 to the  
202 contrary, any member who is a member prior to October 13, 1969, may elect to  
203 have the member's retirement allowance computed in accordance with sections  
204 169.600 to 169.715 as they existed prior to October 13, 1969.

205 11. Any application for retirement shall include a sworn statement by the  
206 member certifying that the spouse of the member at the time the application was  
207 completed was aware of the application and the plan of retirement elected in the  
208 application.

209 12. Notwithstanding any other provision of law, any person retired prior  
210 to August 14, 1984, who is receiving a reduced retirement allowance under option  
211 1 or 2 of subsection 4 of this section, as the option existed prior to August 14,  
212 1984, and whose beneficiary nominated to receive continued retirement allowance  
213 payments under the elected option dies or has died, shall upon application to the  
214 board of trustees have the person's retirement allowance increased to the amount  
215 the person would have been receiving had the person not elected the option,  
216 actuarially adjusted to recognize any excessive benefits which would have been  
217 paid to the person up to the time of the application.

218 13. Benefits paid pursuant to the provisions of the public education  
219 employee retirement system of Missouri shall not exceed the limitations of  
220 Section 415 of Title 26 of the United States Code, except as provided under this  
221 subsection. Notwithstanding any other law, the board of trustees may establish  
222 a benefit plan under Section 415(m) of Title 26 of the United States Code. Such  
223 plan shall be credited solely for the purpose described in Section 415(m)(3)(A) of  
224 Title 26 of the United States Code. The board of trustees may promulgate  
225 regulations necessary to implement the provisions of this subsection and to create  
226 and administer such benefit plan.

227 14. Any member who has retired prior to July 1, 1999, and the designated  
228 beneficiary of a deceased retired member upon request shall be made, constituted,

229 appointed and employed by the board as a special consultant on the matters of  
230 education, retirement and aging. As compensation for such duties the person  
231 shall receive a payment equivalent to seven and four-tenths percent of the  
232 previous month's benefit, which shall be added to the member's or beneficiary's  
233 monthly annuity and which shall not be subject to the provisions of subsections  
234 2 and 3 of this section for the purposes of the limit on the total amount of  
235 increases which may be received.

236 15. Any member who has retired prior to July 1, 2000, and the designated  
237 beneficiary of a deceased retired member upon request shall be made, constituted,  
238 appointed and employed by the board as a special consultant on the matters of  
239 education, retirement and aging. As compensation for such duties the person  
240 shall receive a payment equivalent to three and four-tenths percent of the  
241 previous month's benefit, which shall be added to the member's or beneficiary's  
242 monthly annuity and which shall not be subject to the provisions of subsections  
243 2 and 3 of this section for the purposes of the limit on the total amount of  
244 increases which may be received.

245 16. Any member who has retired prior to July 1, 2001, and the designated  
246 beneficiary of a deceased retired member upon request shall be made, constituted,  
247 appointed and employed by the board as a special consultant on the matters of  
248 education, retirement and aging. As compensation for such duties the person  
249 shall receive a payment equivalent to seven and one-tenth percent of the previous  
250 month's benefit, which shall be added to the member's or beneficiary's monthly  
251 annuity and which shall not be subject to the provisions of subsections 2 and 3  
252 of this section for the purposes of the limit on the total amount of increases which  
253 may be received.

211.393. 1. For purposes of this section, the following words and phrases  
2 mean:

3 (1) "County retirement plan", any public employees' defined benefit  
4 retirement plan established by law that provides retirement benefits to county or  
5 city employees, but not to include the county employees' retirement system as  
6 provided in sections 50.1000 to 50.1200, RSMo;

7 (2) "Juvenile court employee", any person who is employed by a juvenile  
8 court in a position normally requiring one thousand hours or more of service per  
9 year [but not including any service in such a position that was financed in whole  
10 or in part by a public or private grant on or after July 1, 1999];

11 (3) "Juvenile officer", any juvenile officer appointed pursuant to section  
12 211.351;



13           (4) "Multicounty circuit", all other judicial circuits not included in the  
14 definition of a single county circuit;

15           (5) "Single county circuit", a judicial circuit composed of a single county  
16 of the first classification, including the circuit for the city of St. Louis;

17           (6) "State retirement plan", the public employees' retirement plan  
18 administered by the Missouri state employees' retirement system pursuant to  
19 chapter 104, RSMo.

20           2. Juvenile court employees employed in a single county circuit shall be  
21 subject to the following provisions:

22           (1) The juvenile officer employed in such circuits on and prior to July 1,  
23 1999, shall:

24           (a) Be state employees on that portion of their salary received from the  
25 state pursuant to section 211.381, and in addition be county employees on that  
26 portion of their salary provided by the county at a rate determined pursuant to  
27 section 50.640, RSMo;

28           (b) Receive state-provided benefits, including retirement benefits from the  
29 state retirement plan, on that portion of their salary paid by the state and may  
30 participate as members in a county retirement plan on that portion of their salary  
31 provided by the county except any juvenile officer whose service as a juvenile  
32 court officer is being credited based on all salary received from any source in a  
33 county retirement plan on June 30, 1999, shall not be eligible to receive  
34 state-provided benefits, including retirement benefits, or any creditable prior  
35 service as described in this section but shall continue to participate in such  
36 county retirement plan;

37           (c) Receive creditable prior service in the state retirement plan for service  
38 rendered as a juvenile court employee **prior to July 1, 1999**, to the extent they  
39 have not already received credit for such service in a county retirement plan on  
40 salary paid to them for such service, if such service was rendered in a [judicial  
41 circuit that was not a single county of the first classification] **single county**  
42 **circuit or a multicounty circuit; except that if the juvenile officer**  
43 **forfeited such credit in such county retirement plan prior to being**  
44 **eligible to receive creditable prior service under this paragraph, they**  
45 **may receive service under this paragraph;**

46           (d) Receive creditable prior service pursuant to paragraph (c) of this  
47 subdivision even though they already have received credit for such creditable  
48 service in a county retirement plan if they elect to forfeit their creditable service  
49 from such plan in which case such plan shall transfer to the state retirement plan

50 an amount equal to the actuarial accrued liability for the forfeited creditable  
51 service, determined as if the person were going to continue to be an active  
52 member of the county retirement plan, less the amount of any refunds of member  
53 contributions;

54 (e) Receive creditable prior service for service rendered as a juvenile court  
55 employee **in a multicounty circuit** in a position that was financed in whole or  
56 in part by a public or private grant [prior to July 1, 1999], pursuant to the  
57 provisions of paragraph (e) of subdivision (1) of subsection 3 of this section;

58 (2) Juvenile officers who begin employment for the first time as a juvenile  
59 officer in a single county circuit on or after July 1, 1999, shall:

60 (a) Be county employees and receive salary from the county at a rate  
61 determined pursuant to section 50.640, RSMo, subject to reimbursement by the  
62 state as provided in section 211.381; and

63 (b) Participate as members in the applicable county retirement plan  
64 subject to reimbursement by the state for the retirement contribution due on that  
65 portion of salary reimbursed by the state;

66 (3) All other juvenile court employees who are employed in a single county  
67 circuit on or after July 1, 1999:

68 (a) Shall be county employees and receive a salary from the county at a  
69 rate determined pursuant to section 50.640, RSMo; and

70 (b) Shall, in accordance with their status as county employees, receive  
71 other county-provided benefits including retirement benefits from the applicable  
72 county retirement plan if such employees otherwise meet the eligibility  
73 requirements for such benefits;

74 (4) (a) The state shall reimburse each county comprised of a single county  
75 circuit for an amount equal to the greater of:

76 a. Twenty-five percent of such circuit's total juvenile court personnel  
77 budget, excluding the salary for a juvenile officer, for calendar year 1997, and  
78 excluding all costs of retirement, health and other fringe benefits; or

79 b. The sum of the salaries of one chief deputy juvenile officer and one  
80 deputy juvenile officer class I, as provided in section 211.381;

81 (b) The state may reimburse a single county circuit up to fifty percent of  
82 such circuit's total calendar year 1997 juvenile court personnel budget, subject to  
83 appropriations. The state may reimburse, subject to appropriations, the following  
84 percentages of such circuits' total juvenile court personnel budget, expended for  
85 calendar year 1997, excluding the salary for a juvenile officer, and excluding all  
86 costs of retirement, health and other fringe benefits: thirty percent beginning

87 July 1, 2000, until June 30, 2001; forty percent beginning July 1, 2001, until June  
88 30, 2002; fifty percent beginning July 1, 2002; however, no county shall receive  
89 any reimbursement from the state in an amount less than the greater of:

90 a. Twenty-five percent of the total juvenile court personnel budget of the  
91 single county circuit expended for calendar year 1997, excluding fringe benefits;  
92 or

93 b. The sum of the salaries of one chief deputy juvenile officer and one  
94 deputy juvenile officer class I, as provided in section 211.381;

95 (5) Each single county circuit shall file a copy of its initial 1997 and each  
96 succeeding year's budget with the office of the state courts administrator after  
97 January first each year and prior to reimbursement. The office of the state courts  
98 administrator shall make payment for the reimbursement from appropriations  
99 made for that purpose on or before July fifteenth of each year following the  
100 calendar year in which the expenses were made. The office of the state courts  
101 administrator shall submit the information from the budgets relating to full-time  
102 juvenile court personnel from each county to the general assembly;

103 (6) Any single county circuit may apply to the office of the state courts  
104 administrator to become subject to subsection 3 of this section, and such  
105 application shall be approved subject to appropriation of funds for that purpose;

106 (7) The state auditor may audit any single county circuit to verify  
107 compliance with the requirements of this section, including an audit of the 1997  
108 budget.

109 3. Juvenile court employees in multicounty circuits shall be subject to the  
110 following provisions:

111 (1) Juvenile court employees including detention personnel hired in 1998  
112 in those multicounty circuits who began actual construction on detention facilities  
113 in 1996, employed in a multicounty circuit on or after July 1, 1999, shall:

114 (a) **Not** be state employees [and] **unless they** receive all salary from the  
115 state, which shall include any salary as provided in section 211.381 in addition  
116 to any salary provided by the applicable county or counties during calendar year  
117 1997 and any general salary increase approved by the state of Missouri for fiscal  
118 year 1999 and fiscal year 2000;

119 (b) Participate in the state retirement plan;

120 (c) Receive creditable prior service in the state retirement plan for service  
121 rendered as a juvenile court employee **prior to July 1, 1999**, to the extent they  
122 have not already received credit for such service in a county retirement plan on  
123 salary paid to them for such service if such service was rendered in a [judicial

124 circuit that was not a single county of the first classification] **single county**  
125 **circuit or a multicounty circuit**, except that if they forfeited such credit in  
126 such county retirement plan prior to being eligible to receive creditable prior  
127 service under this paragraph, they may receive creditable service under this  
128 paragraph;

129 (d) Receive creditable prior service pursuant to paragraph (c) of this  
130 subdivision even though they already have received credit for such creditable  
131 service in a county retirement plan if they elect within six months from the date  
132 they become participants in the state retirement plan pursuant to this section to  
133 forfeit their service from such plan in which case such plan shall transfer to the  
134 state retirement plan an amount equal to the actuarial accrued liability for the  
135 forfeited creditable service, determined as if the person was going to continue to  
136 be an active member of the county retirement plan, less the amount of any  
137 refunds of member contributions;

138 (e) Receive creditable prior service for service rendered as a juvenile court  
139 employee **in a multicounty circuit** in a position that was financed in whole or  
140 in part by a public or private grant [prior to July 1, 1999] **to the extent they**  
141 **have not already received credit for such service in a county**  
142 **retirement plan on salary paid to them for such service except that if**  
143 **they:**

144 a. **Forfeited such credit in such county retirement plan prior to**  
145 **being eligible to receive creditable service under this paragraph, they**  
146 **may receive creditable service under paragraph (e) of this subdivision;**

147 b. [Pursuant to paragraph (c) of this subdivision, except that if they  
148 already] Received credit for such creditable service in a county retirement plan,  
149 they may not receive creditable prior service pursuant to paragraph [(c)] **(e)** of  
150 this subdivision unless they elect to forfeit their service from such plan, in which  
151 case such plan shall transfer to the state retirement plan an amount equal to the  
152 actuarial liability for the forfeited creditable service, determined as if the person  
153 was going to continue to be an active member of the county retirement plan, less  
154 the amount of any refunds of member contributions;

155 [b. Pursuant to subparagraph a. of this paragraph, if they] c. Terminated  
156 employment prior to August 28, [2004] **2007**, and apply to the board of trustees  
157 of the state retirement plan to be made and employed as a special consultant and  
158 be available to give opinions regarding retirement **they may receive creditable**  
159 **service under paragraph (e) of this subdivision;**

160 [c. Pursuant to subparagraph a. of this paragraph, if they] d. Retired

161 prior to August 28, [2004] **2007**, and apply to the board of trustees of the state  
162 retirement plan to be made and employed as a special consultant and be available  
163 to give opinions regarding retirement, [in which case] they shall have their  
164 retirement benefits adjusted so they receive retirement benefits equal to the  
165 amount they would have received had their retirement benefit been initially  
166 calculated to include such creditable prior service; **or**

167 [d. Pursuant to subparagraph a. of this paragraph, if they] **e.** Purchased  
168 creditable prior service pursuant to section 104.344, RSMo, or section 105.691,  
169 RSMo, based on service as a juvenile court employee in a position that was  
170 financed in whole or in part by a public or private grant [prior to July 1, 1999],  
171 [in which case] they shall receive a refund based on the amount paid for such  
172 purchased service;

173 (2) Juvenile court employee positions added after December 31, 1997,  
174 shall be terminated and not subject to the provisions of subdivision (1) of this  
175 subsection, unless the office of the state courts administrator requests and  
176 receives an appropriation specifically for such positions;

177 (3) The salary of any juvenile court employee who becomes a state  
178 employee, effective July 1, 1999, shall be limited to the salary provided by the  
179 state of Missouri, which shall be set in accordance with guidelines established by  
180 the state pursuant to a salary survey conducted by the office of the state courts  
181 administrator, but such salary shall in no event be less than the amount specified  
182 in paragraph (a) of subdivision (1) of this subsection. Notwithstanding any  
183 provision to the contrary in subsection 1 of section 211.394, such employees shall  
184 not be entitled to additional compensation paid by a county as a public officer or  
185 employee. Such employees shall be considered employees of the judicial branch  
186 of state government for all purposes;

187 (4) All other employees of a multicounty circuit who are not juvenile court  
188 employees as defined in subsection 1 of this section shall be county employees  
189 subject to the county's own terms and conditions of employment.

190 4. The receipt of creditable prior service as described in paragraph (c) of  
191 subdivision (1) of subsection 2 of this section and paragraph (c) of subdivision (1)  
192 of subsection 3 of this section is contingent upon the office of the state courts  
193 administrator providing the state retirement plan information, in a form subject  
194 to verification and acceptable to the state retirement plan, indicating the dates  
195 of service and amount of monthly salary paid to each juvenile court employee for  
196 such creditable prior service.

197 5. No juvenile court employee employed by any single or multicounty

198 circuit shall be eligible to participate in the county employees' retirement system  
199 fund pursuant to sections 50.1000 to 50.1200, RSMo.

200         6. Each county in every circuit in which a juvenile court employee  
201 becomes a state employee shall maintain each year in the local juvenile court  
202 budget an amount, defined as "maintenance of effort funding", not less than the  
203 total amount budgeted for all employees of the juvenile court including any  
204 juvenile officer, deputy juvenile officer, or other juvenile court employees in  
205 calendar year 1997, minus the state reimbursements as described in this section  
206 received for the calendar year 1997 personnel costs for the salaries of all such  
207 juvenile court employees who become state employees. The juvenile court shall  
208 provide a proposed budget to the county commission each year. The budget shall  
209 contain a separate section specifying all funds to be expended in the juvenile  
210 court. Such funding may be used for contractual costs for detention services,  
211 guardians ad litem, transportation costs for those circuits without detention  
212 facilities to transport children to and from detention and hearings, short-term  
213 residential services, indebtedness for juvenile facilities, expanding existing  
214 detention facilities or services, continuation of services funded by public grants  
215 or subsidy, and enhancing the court's ability to provide prevention, probation,  
216 counseling and treatment services. The county commission may review such  
217 budget and may appeal the proposed budget to the judicial finance commission  
218 pursuant to section 50.640, RSMo.

219         7. Any person who is employed on or after July 1, 1999, in a position  
220 covered by the state retirement plan or the transportation department and  
221 highway patrol retirement system and who has rendered service as a juvenile  
222 court employee in a judicial circuit that was not a single county of the first  
223 classification shall be eligible to receive creditable prior service in such plan or  
224 system as provided in subsections 2 and 3 of this section. For purposes of this  
225 subsection, the provisions of paragraphs (c) and (d) of subdivision (1) of  
226 subsection 2 of this section and paragraphs (c) and (d) of subdivision (1) of  
227 subsection 3 of this section that apply to the state retirement plan shall also  
228 apply to the transportation department and highway patrol retirement system.

229         8. (1) Any juvenile officer who is employed as a state employee in a  
230 multicounty circuit on or after July 1, 1999, shall not be eligible to participate in  
231 the state retirement plan as provided by this section unless such juvenile officer  
232 elects to:

233             (a) Receive retirement benefits from the state retirement plan based on  
234 all years of service as a juvenile officer and a final average salary which shall

235 include salary paid by the county and the state; and

236 (b) Forfeit any county retirement benefits from any county retirement  
237 plan based on service rendered as a juvenile officer.

238 (2) Upon making the election described in this subsection, the county  
239 retirement plan shall transfer to the state retirement plan an amount equal to  
240 the actuarial accrued liability for the forfeited creditable service determined as  
241 if the person was going to continue to be an active member of the county  
242 retirement plan, less the amount of any refunds of member contributions.

243 9. The elections described in this section shall be made on forms  
244 developed and made available by the state retirement plan.

**321.800. Notwithstanding any other law to the contrary, any  
2 board of directors established under the provisions of this chapter  
3 administering its own retirement or other benefits-related plan shall  
4 administer such plan by a separate five-member pension board of  
5 trustees. Pension plan participants shall elect three such participants  
6 to be submitted to the board of directors. The board of directors shall  
7 select two of the three participants to serve on the five-member pension  
8 board of trustees. The board of directors shall be the other three  
9 members of the five-member pension board of trustees.**

[105.920. The financial liability of the state, or political  
2 subdivision under a deferred compensation program shall be  
3 limited in each instance to the value of the particular fixed or  
4 variable life insurance or annuity contract, mutual funds or other  
5 such investment options purchased on behalf of any employee.]

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